By Mr. JUDD:

H.R. 12143. A bill to provide for the distribution of the total net income from wildlife refuges administered by the U.S. Fish and Wildlife Service of the Department of the Interior, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. NYGAARD:

H.R. 12144. A bill to amend section 401 of the act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s), in order to authorize increased payments to counties in which Federal wildlife refuges are situated, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SHORT:

H.R. 12145. A bill to amend section 401 of the act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s), in order to authorize increased payments to counties in which Federal wildlife refuges are situated, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ST. GERMAIN:

H.J. Res. 747. Joint resolution granting the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia; to the Committee on the Judiciary.

By Mr. BURKE of Kentucky:

H. Con. Res. 482. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. CAREY:

H. Con. Res. 483. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. EDMONDSON:

H. Con. Res. 484. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. FARBSTEIN:

H. Con. Res. 485. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. FASCELL:

H. Con. Res. 486. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. HEMPHILL:

H. Con. Res. 487. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. MOSS:

H. Con. Res. 488. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. ST. GERMAIN:

H. Con. Res. 489. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. MORRIS K. UDALL:

H. Con. Res. 490. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. WHITENER:

H. Con. Res. 491. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. WRIGHT:

H. Con. Res. 492. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. ASHLEY:

H. Con. Res. 494. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

By Mr. BRADEMAS:

H. Con. Res. 495. Concurrent resolution expressing the sense of the Congress that increased emphasis should be placed in the administration of foreign assistance upon programs encouraging the ownership of farms and homes, assisting the establishment and equipment of small independent businesses, aiding the acquisition of tools of a trade, or helping provide vocational or occupational skills; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the Territory of Guam, memorializing the President and the Congress of the United States relative to requesting the enactment of legislation extending the statute of limitations for claims against the Government of the United States only as to landowners whose properties are situated within the old Harmon Field area; which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIN:

H.R. 12146. A bill for the relief of David Hiestand; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 12147. A bill for the relief of Orazio Morello; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 12148. A bill for the relief of the DiCuia family; to the Committee on the Judiciary.

By Mr. KLUCZYNSKI:

H.R. 12149. A bill for the relief of Jozefa Trzcinska Biskup; to the Committee on the Judiciary.

By Mr. McVEY:

H.R. 12150. A bill for the relief of Dr. Jose Enrique Garzon; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 12151. A bill for the relief of Wong Fook Cheung; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 12152. A bill for the relief of Jozefa Pietka; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:

H.R. 12153. A bill for the relief of Mrs. Phoebe Thompson Neesham; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 690. Resolution providing for sending the bill (H.R. 7618) authorizing the payment of certain moneys to N. M. Bentley in settlement of claim against the United States, together with accompanying papers, to the Court of Claims; to the Committee on the Judiciary.

SENATE

THURSDAY, JUNE 14, 1962

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of our fathers, whose love divine hath led us in the past: Be Thou still our ruler, guardian, guide, and stay. We lift this day our jubilate for the starry flag which in all the world is the sacred emblem of this Nation under God. As

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we pledge anew allegiance to all that its flowing folds symbolize, make us solemnly conscious that—

"There's not a thread of it,
No, nor a shred of it
In all the spread of it,
From foot to head,
But heroes bled for it,
Faced steel and lead for it,
Precious blood shed for it,
Bathing it red."

Holding aloft the flag which is freedom's best hope to defeat slavish tyranny, send us forth, we pray Thee, not just to cheer for it, but to live for it; to be willing gladly to die for it; that government of, by, and for the people may not perish from the earth.

God bless our America in these tempestuous days, as under that banner she mobilizes her might to defend freedom and to oppose thralldom in all the world. And, God, our Father, make us worthy of America at its best. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 13, 1962, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the joint resolution (S.J. Res. 198) deferring until August 25, 1962, the issuance of a proclamation with respect to a national wheat acreage allotment, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H.R. 2206. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado; and

H.J. Res. 745. Joint resolution making supplemental appropriations for the fiscal year 1962.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as indicated:

H.R. 2206. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado; to the Committee on Interior and Insular Affairs.

H.J. Res. 745. Joint resolution making supplemental appropriations for the fiscal year 1962; to the Committee on Appropriations.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following subcommittees and committees were authorized to meet during the session of the Senate today:

The Committee on Finance;

The Antitrust and Monopoly Subcommittee of the Committee on the Judiciary;

The Permanent Subcommittee on Investigations of the Committee on Government Operations;

The Committee on Aeronautical and Space Sciences; and

The Judiciary Subcommittee of the Committee on the District of Columbia.

RESOLUTION OF KANSAS JUNIOR CHAMBERS OF COMMERCE

Mr. CARLSON. Mr. President, Kansas has one of the outstanding State junior chambers of commerce, under the able leadership of its president, Jim Wymore, Jr., of Salina, Kans.

At a recent meeting of the State organization a resolution in opposition to the King-Anderson bill was adopted.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Jaycee creed says that we believe that economic justice can best be won by freemen through free enterprises, and since the health insurance benefit payments during 1961 totaled over $6\frac{3}{10}$ billion and since 75 percent of the Nation's population had some type of hospital medical care insurance in 1961, and since the health chairman, after checking, believes that private enterprise is working diligently to handle the situation: Now, therefore, be it

Resolved, That the Kansas Jaycees in convention assembled, go on record as being opposed to the medical care to the aged under social security.

The 4,000 members of the 80 local chapters of the Kansas Jaycees feel that this resolution clearly states our belief and position on this pending legislation and urge you to vote against the adoption of the King-Anderson bill.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KERR, from the Committee on Finance, with amendments:

H.R. 10606. An act to extend and improve the public assistance and child welfare services programs of the Social Security Act, and for other purposes (Rept. No. 1589).

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 3508. An act to amend the Tariff Act of 1930, as amended (Rept. No. 1590); and

H.R. 10986. An act to continue for a temporary period the existing suspension of duty on certain amorphous graphite (Rept. No. 1591).

By Mr. CANNON, from the Committee on Armed Services, without amendment:

H.R. 11743. An act to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended (Rept. No. 1593).

By Mr. JACKSON, from the Committee on Armed Services, with an amendment:

H.R. 11131. An act to authorize certain construction at military installations, and for other purposes (Rept. No. 1594).

By Mr. SYMINGTON, from the Committee on Armed Services, without amendment:

H. Con. Res. 473. Concurrent resolution providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), for the disposition of certain materials from the national stockpile (Rept. No. 1592).

By Mr. SMITH of Massachusetts, from the Committee on the District of Columbia, without amendment:

S. 2436. A bill to transfer certain land in the District of Columbia to the Secretary of the Interior for administration as a part of the National Capital parks system, and for other purposes (Rept. No. 1595);

S. 2139. A bill to exempt from taxation certain property of the American War Mothers, Inc. (Rept. No. 1597); and

S. 3315. A bill to relieve owners of abutting property from certain assessments in connection with the repair of alleys and sidewalks in the District of Columbia (Rept. No. 1596).

By Mr. BEALL, from the Committee on the District of Columbia, without amendment:

S. 2977. A bill to amend the Life Insurance Act of the District of Columbia (Rept. No. 1601);

S. 3063. A bill to incorporate the Metropolitan Police Relief Association of the District of Columbia (Rept. No. 1599);

S. 3350. A bill to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center to extend the time during which appropriations may be made for the purposes of that act (Rept. No. 1600); and

S. 3359. A bill to authorize the Commissioners of the District of Columbia to lease certain public space under and in the vicinity of 10th Street SW., for public parking (Rept. No. 1598).

TESTIMONY OF CERTAIN WITNESSES BEFORE THE COURT OF QUARTER SESSIONS, COUNTY OF PHILADELPHIA, PA.—REPORT OF A COMMITTEE

Mr. McCLELLAN. Mr. President, from the Committee on Government Operations, I report an original resolution, and ask unanimous consent for its immediate consideration.

Mr. President, there are presently pending before the Court of Quarter Sessions, County of Philadelphia, Pa., two criminal actions which arose out of an investigation conducted by the former Select Committee on Improper Activities in the Labor or Management Field relating to Local 107, International Brotherhood of Teamsters, Philadelphia.

In that connection, the court has issued subpenas requiring the testimony of former employees of the Senate select committee, and calling for the production of certain documents which now are a part of the files of the Permanent Subcommittee on Investigations of the Committee on Government Operations. As Senators know, under Senate Resolution 255, 86th Congress, the files of the select committee are transferred to the control of the Permanent Subcommittee on Investigations.

The purpose of this resolution is to authorize the former employees of the select committee to testify before the courts in Philadelphia County and to

present certain documentary evidence now in the files of the Permanent Subcommittee on Investigations.

The PRESIDENT pro tempore. Is there objection to the request for the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CLARK. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am happy to yield.

Mr. CLARK. I should like to commend the Senator from Arkansas for the cooperation he is giving the law-enforcement agencies in my home city of Philadelphia; and I also wish to commend him for the fine investigation he made of that particular local.

Mr. McCLELLAN. I thank the Senator from Pennsylvania.

Mr. CLARK. It is one which I think was highly in need of investigation.

I express the hope that with the assistance of the chairman of the Permanent Subcommittee on Investigations, of the Committee on Government Operations, justice will be done in this case in the courts of Philadelphia.

Mr. McCLELLAN. I thank the Senator from Pennsylvania. I may say that these records were developed in the course of the investigation; and the court needs them in order to prosecute the case, in order that justice may be done.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 349) authorizing certain former Senate employees to appear and testify before certain courts of Philadelphia County, Pa., and bring certain records, reported by Mr. McCLELLAN, from the Committee on Government Operations, was considered and agreed to, as follows:

Whereas, in the case of the *Commonwealth of Pennsylvania* v. *Abraham Berman, Edward Walker, Joseph Hartsough, Joseph Grace, John Joseph Elco, Raymond Cohen, and Ben Lapensohn*, bill of indictment No. 520 of the September 1959 session of the court of Oyer and Terminer of Philadelphia County of said Commonwealth of Pennsylvania, a subpoena ad testificandum and duces tecum was issued upon the application of the District Attorney of Philadelphia County, and addressed as follows:

To John B. Flanagan, Francis J. Ward, Leo Nulty, George L. Nash, Ralph Mills, Ralph DeCarlo, Alfred Vitarelli, and Robert E. Dunne, all of whom are former employees of the Senate Select Committee on Improper Activities in the Labor or Management Field; and directing them to bring with them all accounting analyses, work papers, statements, affidavits, and supporting documents prepared by them from the records of Local 107 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, or from the records of any of the above-named defendants, which subpoena ad testificandum and duces tecum is returnable on September 4, 1962, at 10 o'clock antemeridian; and

Whereas in the case of the *Commonwealth of Pennsylvania* v. *Ben Lapensohn* on which a preliminary hearing has been set by a judge of the Court of Quarter Sessions of Philadelphia County, Commonwealth of Pennsylvania, sitting as a committing magistrate, which preliminary hearing is scheduled to be held June 15, 1962, a subpoena ad testificandum and duces tecum was issued upon the application of the District Attorney of Philadelphia County, and addressed as follows:

To John B. Flanagan, Francis J. Ward, Leo Nulty, George L. Nash, Ralph Mills, Ralph DeCarlo, Alfred Vitarelli, and Robert E. Dunne, all of whom are former employees of the Senate Select Committee on Improper Activities in the Labor or Management Field; and directing them to bring with them all accounting analyses, work papers, statements, affidavits, and supporting documents prepared by them from the records of Local 107 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, or from the records of any of the above named defendants, which subpoena ad testificandum and duces tecum is returnable on June 15, 1962, at ten o'clock ante meridian; and

Whereas said material is in the possession of an under the control of the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations, by virtue of Section 5 of Senate Resolution 255 of the 86th Congress; and

Whereas by the privileges of the Senate of the United States no document under the control and in the possession of the Senate of the United States can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession, but by its permission; and

Whereas by the privilege of the Senate and by rule XXX of the Standing Rules of the Senate, no document shall be withdrawn from its files except by the order of the Senate; and

Whereas information secured by staff employees of the Senate pursuant to their official duties as employees may not be revealed without the consent of the Senate: Therefore be it

Resolved, That John B. Flanagan, Francis J. Ward, Leo Nulty, George L. Nash, Ralph Mills, Ralph DeCarlo, Alfred Vitarelli, and Robert E. Dunne, former employees of the United States Senate Select Committee on Improper Atcivities in the Labor or Management Field, are authorized to appear and testify at the times and places, and before the courts named in the subpoenas ad testificandum and duces tecum before mentioned, or at any continued and subsequent proceedings thereof, and to take with them such documents and papers called for in said subpoenas for production before said courts where determined by the judges thereof to be material and relevant to the issues before them.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

John T. McNaughton, of Massachusetts, to be General Counsel of the Department of Defense; and

Cyrus Roberts Vance, of New York, to be Secretary of the Army.

By Mr. McCLELLAN (for Mr. EASTLAND), from the Committee on the Judiciary:

John D. Butzner, Jr., of Virginia, to be U.S. district judge for the eastern district of Virginia.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mrs. SMITH of Maine. Mr. President, from the Committee on Armed Services, I report favorably 282 nominations in the Regular Air Force, in the grade of major and below. All of these names have already appeared in the CONGRESSIONAL RECORD; so in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk, for the information of any Senator.

The PRESIDENT pro tempore. Without objection, the nominations will lie on the desk, as requested by the Senator from Maine.

The nominations are as follows:

Maurice Y. Gibson, Jr., and sundry other persons, for appointment in the Regular Air Force.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 3412. A bill for the relief of Kristina M. Prosowicz; to the Committee on the Judiciary.

By Mr. PEARSON (for himself and Mr. MURPHY):

S. 3413. A bill to amend the Internal Revenue Code of 1954 to allow an additional exemption of $600 for a dependent child of the taxpayer who is a full-time student above the secondary level; to the Committee on Finance.

(See the remarks of Mr. PEARSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3414. A bill for the relief of Shiegeko Ikeda Rakosi; and

S. 3415. A bill for the relief of J. Ashton Gregg; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 3416. A bill for the relief of Chung K. Won; to the Committee on the Judiciary.

By Mr. BIBLE (by request):

S. 3417. A bill to authorize the addition of certain donated lands to the administrative headquarters site, Isle Royale National Park; to the Committee on Interior and Insular Affairs.

By Mr. BEALL:

S. 3418. A bill to amend the charter of the National Union Insurance Co. of Washington; to the Committee on the District of Columbia.

By Mr. PROUTY:

S. 3419. A bill for the relief of Enrico Petrucci; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 3420. A bill to amend section 19a of the Interstate Commerce Act to eliminate certain valuation requirements, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mrs. SMITH of Maine:

S. 3421. A bill authorizing modification of the harbor project at Kennebunk River, Maine; to the Committee on Public Works.

By Mr. HUMPHREY:

S.J. Res. 200. Joint resolution to establish a Century of Freedom Commission; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. TALMADGE:

S.J. Res. 201. Joint resolution to amend section 316 of the Agricultural Adjustment Act of 1938 to extend the time by which a lease transferring a tobacco acreage allotment may be filed; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. TALMADGE when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

AUTHORIZATION FOR CERTAIN FORMER SENATE EMPLOYEES TO APPEAR AND TESTIFY BEFORE A CERTAIN PENNSYLVANIA COURT

Mr. McCLELLAN, from the Committee on Government Operations, reported an original resolution (S. Res. 349) authorizing certain former Senate employees to appear and testify before a certain court of Philadelphia County, Pa., and bring certain records, which was considered and agreed to.

(See the above resolution printed in full when reported by Mr. McCLELLAN, which appears under the heading "Reports of Committees.")

AMENDMENT OF INTERNAL REVENUE CODE OF 1954 RELATING TO AN ADDITIONAL EXEMPTION FOR FULL-TIME STUDENTS ABOVE THE SECONDARY LEVEL

Mr. PEARSON. Mr. President, this Nation's acceptance of world leadership and the complicated, perplexing issues of the day continue to emphasize this Nation's need to encourage the maximum intellectual development of our youth. The struggle for survival is more dependent upon the quality of our brainpower than upon our sheer capacity to outproduce our adversary in military hardware.

Increased enrollments and the cost of advanced education continue their rapid increase. The fact that the increased cost of education is a major obstacle for many of our young people has been a motivating force in the many recommendations made for Federal aid to education. Indeed, conditions must be created which will make it possible for more of this valuable reservoir of talent to participate, by virtue of their expanded knowledge, in the molding of our Nation's economic, social, and technical future.

The public has provided for institutions of higher learning, and other such institutions have been sponsored by private or religious organizations; but in this country the higher education of our youth has traditionally been a family responsibility. Together, these have contributed much to the great strides we have made to reach the status of the most educated people in the world.

Yet there is always more to be done.

We must now look to additional means and ways to further encourage individual and family responsibility for securing additional higher educational training. The Congress has under consideration a 10-point Federal program for aid to education. I have often expressed my opposition to Federal aid to education, with the exception of the existing National Education Defense Act, impacted area legislation, the school lunch program, and the legislation providing for loans to higher institutions for the construction of dormitories and classrooms.

The institutions of learning and the students themselves must never lose the complete freedom which is necessary for a valid and full educational program.

I now introduce a bill which will permit the head of a household to claim a double exemption for a dependent attending an institution of higher learning.

I believe this bill will serve to encourage the further acceptance by the family of the responsibility for advanced education, rather than to encourage it to abdicate its responsibility to the Federal Government.

This proposal is a simple and equitable one. It does not require any new Federal bureaucracy. It does not interfere with the family's or the student's choice of institution or course of study. It is a procedure which is easy to understand since it requires only a minor alteration in the income tax reporting form. Its enactment at this session of Congress will satisfy many of the objectives advanced in the programs of Federal aid to education and for tax reductions.

I ask that the bill be received, appropriately referred, printed in the RECORD, and held at the desk until next Tuesday, June 19, for possible cosponsorship. I may say that I am now joined in the sponsorship of the bill by the junior Senator from New Hampshire [Mr. MURPHY].

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from Kansas.

The bill (S. 3413) to amend the Internal Revenue Code of 1954 to allow an additional exemption of $600 for a dependent child of the taxpayer who is a full-time student above the secondary level, introduced by Mr. PEARSON (for himself and Mr. MURPHY), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 151 of the Internal Revenue Code of 1954 (relating to deductions for personal exemptions) is amended by adding at the end thereof the following new subsection:

"(g) ADDITIONAL EXEMPTION FOR DEPENDENT CHILDREN ATTENDING SCHOOL ABOVE THE SECONDARY LEVEL.

"(1) IN GENERAL.—An additional exemption of $600 for each dependent (as defined in section 152)—

"(A) who is a child of the taxpayer for whom the taxpayer is entitled to an exemption under subsection (e) (1) for the taxable year, and

"(B) who, during at least 4 calendar months during the calendar year in which the taxable year of the taxpayer begins, is a full-time student above the secondary level at an educational institution.

"(2) DEFINITIONS.—For purposes of paragraph (1)—

"(A) Child.—The term 'child' means an individual who (within the meaning of section 152) is a son, stepson, daughter, or stepdaughter of the taxpayer.

"(B) Educational institution.—The term 'educational institution' has the meaning assigned to it by subsection (e) (4)."

SEC. 2. Section 213(c) of the Internal Revenue Code of 1954 (relating to maximum limitations on deductions for medical, dental, etc., expenses) is amended by striking out "subsection (c) or (d), relating to the additional exemptions for age or blindness" and inserting in lieu thereof "subsection (c), (d), or (f), relating to certain additional exemptions."

SEC. 3. Section 3402 (f) (1) of the Internal Revenue Code of 1954 (relating to withholding exemptions) is amended—

(1) by striking out "and" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (e) and inserting in lieu thereof a semicolon; and

(3) by adding after subparagraph (E) the following new subparagraph:

"(F) one additional exemption for each individual with respect to whom, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable an exemption under section 151(f) (relating to dependent children attending school above the secondary level) for the taxable year under subtitle A in respect of which amounts deducted and withheld under this chapter in the calendar year in which such day falls are allowed as a credit."

SEC. 4. The amendments made by this Act, other than the amendments made by section 3, shall apply to taxable years beginning after December 31, 1961. The amendments made by section 3 shall apply with respect to wages paid on or after the first day of the first month which begins more than 10 days after the date of the enactment of this Act.

AMENDMENT OF SECTION 19a OF INTERSTATE COMMERCE ACT TO ELIMINATE CERTAIN VALUATION REQUIREMENTS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 19a of the Interstate Commerce Act to eliminate certain valuation requirements, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the chairman of the Interstate Commerce Commission, together with a recommendation and justification of the proposed legislation.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter, recommendation, and justification will be printed in the RECORD.

The bill (S. 3420) to amend section 19a of the Interstate Commerce Act to eliminate certain valuation requirements, and for other purposes, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter, justification, and recommendation presented by Mr. MAGNUSON, are as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., June 12, 1962.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MAGNUSON: I am submitting herewith for your consideration 40 copies of a draft bill, together with a statement of justification therefor, which would give effect to legislative recommendation No. 6 in the Commission's 75th annual report.

We would very much appreciate your assistance in having this bill introduced and scheduling a hearing thereon.

Sincerely,

RUPERT L. MURPHY,
Chairman.

RECOMMENDATION NO. 6

This proposed bill would give effect to legislative recommendation No. 6 of the Interstate Commerce Commission as set forth on page 188 of its 75th annual report as follows:

"We recommend that section 19a be amended in the following respects: '(1) to eliminate the requirement that the Commission determine the present value of land; (2) to eliminate the requirement that the Commission determine the valuation of property held by carriers for purposes other than for use in common carrier service; (3) to eliminate the requirement that the Commission ascertain and report the amount, value, and disposition of aids, gifts, grants, and donations and the amount and value of concessions and allowances made by carriers in consideration thereof; and (4) to make optional the requirement that the Commission keep itself informed of changes in the quantity of the property of carriers, following the completion of the original valuation of such property.'"

JUSTIFICATION

The purpose of the attached draft bill is to eliminate certain valuation requirements that are no longer considered necessary in carrying out the regulatory functions of the Interstate Commerce Commission.

Determination of the present value of land was appropriate in finding original property valuations under an earlier concept which also gave consideration to the reproduction cost of property other than land. The determination of a rate base, however, is not restricted to this or to any other single method. It is significant, in this connection, that the Commission, in recent years, has seen fit, in establishing a base for measuring rate of return for railroads, to use the original cost of property, except land, less depreciation thereon as shown by the books of account, plus estimated present value of land, plus an allowance for working capital.

There has been considerable latitude for a number of years as to what might properly be considered in arriving at a rate base, and the wide choice available to regulatory agencies in this connection has been recognized by the Supreme Court. In *Federal Power Commission* v. *Natural Gas Pipeline Co.*, 315 U.S. 586 (1942), the Court held that "The Constitution does not bind ratemaking bodies to the service of any single formula or combination of formulas," and in *Federal Power Commission* v. *Hope Natural Gas Co.*, 320 U.S. 602 (1944), the Court amplified its opinion in the Natural Gas Pipeline Co. case by holding that "it is not the theory but the impact of the rate order which counts. If the total effect of the rate order cannot be said to be unjust and unreasonable, judicial inquiry under the act is at an end. The fact that the method employed to reach that result may contain infirmities is not then important."

The magnitude of an undertaking which contemplates field appraisal of land used in carrier operations, even if such work were attempted on a staggered or recurring cycle basis, would require the expenditure of large sums of money if present value determinations are to be kept reasonably current.

The Commission has made adequate provision for the proper accounting and financial reporting of noncarrier property, and the value of such property is not considered for valuation or ratemaking purposes. Therefore, we see no need to value noncarrier property as is presently required by section 19a of the Interstate Commerce Act.

Insofar as aids, gifts, grants, and donations are concerned, practically all property in this category is of record in the original valuations found by the Commission for railroads. The significance of this information has diminished over the years, and carriers have long since discontinued the granting of concessions in the form of land-grant rates in consideration of such gratuities.

It is a current requirement that carriers by railroad and by pipeline report annually, the number of units of property added or retired during the year. This reporting requirement represents an unnecessary burden for railroads since property units are not used in the development of rate bases, as they were when the railroads were originally valued.

The situation with respect to the reporting of units of property changes by pipeline carriers is unlike that of the railroads. The Commission finds property valuations for pipeline carriers each year. In this process, property units are used in the development of the cost of reproduction new, an element which is considered by the Commission in arriving at the rate base.

Enactment of this proposed measure would, in our opinion, result in a considerable saving to the industry, and would eliminate a statutory requirement no longer necessary nor feasible because of the magnitude of the undertaking necessary to keep reasonably current.

CENTURY OF FREEDOM COMMISSION

Mr. HUMPHREY. Mr. President, I introduce a joint resolution to establish a Century of Freedom Commission to develop plans for commemorating this coming year the 100th anniversary of the singing of one of the most significant documents of human progress in the annals of history.

I refer, of course, to the Emancipation Proclamation which became effective January 1, 1863, and which declared more than 4 million men, women, and children free from the chains of slavery.

The joint resolution itself is self-explanatory and I ask unanimous consent that its text be printed in full in the RECORD at the conclusion of my remarks.

Very briefly, the joint resolution calls for the establishment of a Century of Freedom Commission to be composed of 30 persons, including the President of the United States, the President of the Senate, and the Speaker of the House of Representatives, who shall all 3 serve as ex officio members of the Commission; 3 Members from the House of Representatives appointed by the Speaker of the House; 3 Members of the U.S. Senate appointed by the President of the Senate; 20 members to be appointed by the President of the United States; and 1 member from the Department of the Interior who shall be the Director of the National Park Service or his representative.

The functions of the Commission would be to develop and execute suitable plans for commemorating the 100th anniversary of the Emancipation Proclamation.

One of the darkest chapters in world history was the enslavement and forced deportation of Negro men, women, and children. As our Secretary of State Dean Rusk said only recently at a dinner in honor of the President of the Ivory Coast, Felix Houphouet-Boigny, the United States can take no pride in regard to the manner in which Africans came to this country, but we can be proud of the contributions which Africans and their descendants have made to the United States.

Certainly the Emancipation Proclamation of 1863 was one of the most noble acts of government in the history of mankind. And the faith which Abraham Lincoln had in the Negro people has been confirmed by the contribution which they have made, against great odds, to our country.

I would hope, Mr. President, that this Century of Freedom Commission would, among other things, direct its attention to acquainting the public with the impressive accomplishments that American Negroes have made these past 100 years. It is an impressive record. It is a record in which we can all take pride. It is a record of accomplishment which deserves more attention than has been given. The Commission could perform a most valuable and important public service by focusing public attention on these accomplishments of the Negro people of America.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 200) to establish a Century of Freedom Commission, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas the year 1963 will mark the one-hundredth anniversary of the Emancipation Proclamation which gave freedom from slavery to 4 million men, women, and children; and

Whereas the number of Negroes now living in these United States is in excess of 19 million; and

Whereas the Negro race has shaken off the intangible fetters of circumstance and contributed greatly to the growth of America and given prestige to its cultural customs and mores; and

Whereas the Negro has readily and unflinchingly taken up arms to defend American democracy in every war since Cripus Attucks died a martyr for freedom in the Boston Massacre; and

Whereas the Negro has constantly demonstrated his dedication to the American spirit of freedom by serving in key educational, military and governmental posts; and

Whereas it is appropriate that the ideals and accomplishments of the Negro race be reemphasized and given wider public knowledge on the occasion of the one-hundredth anniversary of its freedom; and

Whereas it is incumbent upon us as a nation to provide for the proper observance of this American event which has been and continues to be a vital force in our history: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to provide for appropriate and nationwide observances and the coordination of ceremonies, there is hereby established a Commission to be known as the "Century of Freedom Commission" (hereafter in this joint resolution referred to as the "Commission") which shall be composed of thirty members as follows:

(1) The President of the United States, President of the Senate, and Speaker of the House of Representatives, who shall be ex-officio members of the Commission;

(2) Three members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(3) Three members who shall be Members of the Senate, to be appointed by the President of the Senate;

(4) Twenty members to be appointed by the President of the United States; and

(5) One member from the Department of the Interior who shall be the Director of the National Park Service or his representative.

(b) The Director of the National Park Service shall call the first meeting for the purpose of electing a chairman. The Commission, at its discretion, may appoint honorary members, and may establish an advisory council to assist in its work.

(c) Appointments provided for in this section, with the exception of honorary members, shall be made within a period of ninety days from the date of enactment of this joint resolution; except that vacancies may be filled after such period. Vacancies shall be filled in the same manner as the original appointments were made.

SEC. 2. The functions of the Commission shall be to develop and execute suitable plans for commemorating the one-hundredth anniversary of the Emancipation Proclamation. In developing such plans, the Commission shall give due consideration to any similar and related plans advanced by State, civic, patriotic, hereditary, and historical bodies, and may designate special committees with representation from the above-mentioned bodies to plan and conduct specific ceremonies. The Commission may give suitable recognition by the award of medals and certificates or by any other appropriate means to persons and organizations for outstanding achievements in preserving the culture and ideals of the Negro, or historical locations connected with his life.

SEC. 3. The President of the United States is authorized and requested to issue a proclamation inviting all the people of the United States to participate in and observe the centennial anniversary of the historical event, the commemoration of which is provided for herein.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with State, civic, patriotic, hereditary, and historical groups and with institutions of learning; and to call upon other Federal departments or agencies for their advice.

(b) The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, expend in furtherance of this joint resolution funds donated or funds received in pursuance of contracts hereunder, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purpose of this joint resolution.

(c) The National Park Service is designated to provide all general administrative services for the Commission.

SEC. 5. (a) The Commission may employ, without regard to civil service laws or the Classification Act of 1949, an Executive Director and such employees as may be necessary to carry out its functions. The annual rate of compensation of the Executive Director shall not exceed the scheduled rate of basic compensation provided for grade GS–18 in the Classification Act of 1949, as amended.

(b) Expenditures of the Commission shall be paid by the Executive Director of the Commission, who shall keep complete records of such expenditures and who shall account for all funds received by the Commission.

(c) The Commission shall submit to the President, not later than September 1, 1962, a report presenting the preliminary plans developed by it pursuant to this joint resolution. A final report of the activities of the Commission, including an accounting of funds received and expended, shall be made to the Congress and the President by the Commission not later than December 31, 1964, upon which date the Commission shall terminate.

(d) Any property acquired by the Commission remaining upon its termination may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States as miscellaneous receipts.

SEC. 6. The members of the Commission and of the Advisory Council shall receive no compensation for their services, but shall be reimbursed for their actual and necessary traveling and subsistence expenses incurred by them in performing their duties.

SEC. 7. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this joint resolution, including an appropriation of not to exceed $1,000,000 to prepare the preliminary and final plans and reports of the Commission described in section 5(c) of this joint resolution.

EXTENSION OF TIME FOR FILING LEASES FOR TOBACCO ACREAGE ALLOTMENTS

Mr. TALMADGE. Mr. President, last year Congress passed a law, Public Law 87–200, which authorized any tobacco farmer to lease any part of his allotment to any other owner or operator in the same county up to 5 acres. In order to be effective, it was required that this lease agreement be filed with the ASC committee office before the date prescribed by the Secretary, and in no event later than the normal planting time in the county.

This law was made necessary by the fact that many tobacco allotments were so small that they did not constitute enough acreage to form an economic unit on which the farmer could make a living. I supported this proposal and think that it will prove very beneficial to our tobacco producers.

Since the adoption of this leasing program, however, hardship cases have arisen which require further legislative action. A number of tobacco farmers have missed the deadline set by the Secretary in filing these leases, and are now faced with a penalty for overplanting unless some relief is granted. The Department concedes that these farmers thought they were in compliance and would like to allow exemptions to the general rule. Unfortunately, there was no authorization for such relief contained in the law as passed last year.

I introduce herewith a joint resolution which would give the Secretary of Agriculture this authority. A similar joint resolution was introduced in the House yesterday. It has the full support of the Department of Agriculture and I hope that it will receive early and favorable consideration by Congress.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 201) to amend section 316 of the Agricultural Adjustment Act of 1938 to extend the time by which a lease transferring a tobacco acreage allotment may be filed, introduced by Mr. TALMADGE, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BEALL:

Article entitled "Fathers and Sons," written by Senator JENNINGS RANDOLPH, published in Parents' Magazine.

"EXCELLENCE AND THE NATIONAL SERVICE"—ADDRESS BY SENATOR JACKSON

Mr. MANSFIELD. Mr. President, earlier this week, the Senator from Washington [Mr. JACKSON] delivered a notable address, entitled "Excellence and the National Service," to the Industrial College of the Armed Forces.

Senator JACKSON's speech sets forth certain lines of inquiry planned by the Subcommittee on National Security Staffing and Operations, which he heads.

I ask unanimous consent that the text of his address be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EXCELLENCE AND THE NATIONAL SERVICE

(By Senator HENRY M. JACKSON)

Admiral Rose, distinguished guests, faculty, and members of the college, I am highly honored to join in this graduation ceremony. This is a happy day for you—and a fortunate day for our country.

This is a unique college. Nowadays, you know, most colleges don't graduate you—they parole you to the alumni association, which is a gentlemanly way of putting the bite on you for the rest of your life.

I know you will never forget that you stand in the high tradition of this college. You have had a chance to let your minds range over the perplexing problems of national security and to gain fresh insights into the complexity of the issues that face our decisionmakers. An awareness of the interrelationship of political, economic, and military factors is the beginning of wisdom in the field of human affairs to which you are devoting your lives. You should go to your next duties better equipped than before to share in the great tasks of national security—because you better understand the problems of your coworkers in these tasks in the Pentagon, State, the Budget Bureau, Treasury—and the Congress.

It is a commonplace of graduation ceremonies to say that our Nation faces a time of testing as fateful as any in its history.

It also happens to be true—which is a nasty habit of commonplaces.

What is true for us is necessarily true for our adversaries as well. They too face a time of testing. They have mobilized for it. They know what they want. They have their plans for getting it. They will use every trick of the trade, including some we have not heard of yet, and every resource that can be diverted from essential civilian

needs to achieve, in Mr. Khrushchev's words, their goal of burying us.

Let us not underestimate the adversary.

But, even more important, let us not underestimate ourselves.

The United States is a strong, dynamic, purposeful, but impatient nation. Preoccupied, as we are almost all of the time, with each new day's quota of problems, not to mention its frustrations, pin-pricks, and minor setbacks, we sometimes forget how different today is from, say, 1947. It is, perhaps, wise now and then to look back as well as ahead.

We have come far in the past 15 years. It was just 15 years and 1 week ago—on June 5, 1947—that Secretary of State George Catlett Marshall made what is surely the most important commencement address ever given—leading directly to the Marshall plan for European recovery.

Then we wondered whether communism might not take over in France and Italy. Germany and Japan were prostrate, shattered in defeat, their economies in shambles. Greece was in the throes of civil war. The bulldog British, in a remarkable act of national self-discipline, had imposed austerity on themselves as a means of rebuilding the foundation of their national greatness. The mighty power of the greatest military establishment ever built—the American Armed Forces of World War II—had been demobilized in pellmell haste and was in disarray. We wondered whether we could afford $14 billion for defense.

Today, how different our problems are: From Japan eastward across the United States to Western Europe, the economies are booming—so that our economic problems are the problems of surpluses not shortages. How Mr. Khrushchev would like to trade economic problems with us. Our allies have become so strong that we have a few problems with them now and then—but the differences that beset the Moscow-Peiping axis should help us to see our problems with our allies in a truer perspective. Hundreds of millions of people have won their independence in what is surely the most radical political transformation ever accomplished wtihout enormous bloodshed and violence. We will have our differences and difficulties with the new nations—but their desire for independence, for nationhood is, if we but keep things in perspective, a building block of a decent world order.

Today in short, our problem is to use our strength wisely—whereas only 15 years ago it was to create strength out of weakness.

It is, of course, easier to build strength than to use it wisely. It is the awesome responsibility of the President to carry the main burden of leadership in the new tasks of the new day. He cannot delegate the great decisions on which the course of events will turn to any council or committee. The responsibility is his. In the setting of the sixties it is more difficult to exercise this responsibility than ever before. It is therefore all the more important that the key departments and agencies give the President efficient, steady, large-minded support.

Standards of performance adequate for quieter times will not do. State, Defense, the military services, the economic agencies, and the rest of our Government must meet new tests of excellence. Yes, and Congress, too.

Last month the Senate of the United States established the Subcommittee on National Security Staffing and Operations and asked it to make a study of how well our Government is staffed to conduct national security operations.

The subcommittee's inquiry is based on the simple proposition that the No. 1 task is to get the right men into the right jobs at the right time and to make it possible for them to do a job. Men rise to responsibility, if they are given half a chance. The subcommittee's modest goal is to help them get half a chance.

Robert Lovett said it best in 1960:

"The authority of the individual executive must be restored. * * * Committees cannot effectively replace the decisionmaking power of the individual who takes the oath of office; nor can committees provide the essential quality of leadership."

President Kennedy has made an impressive effort to shape the Government's machinery on this principle. It is the right philosophy of operations and we should push forward with it.

In this connection, I want to mention three problems that need special attention.

First. We should carry on with new vigor the fight against overstaffing in the national security departments and agencies.

Too many cooks spoil the broth—especially if they are all in the soup to begin with.

One must distinguish between operations, like running a military base, where the size of the organization must be tailored to the requirements of the job, and decisionmaking, where, beyond a certain point, there is a negative correlation between quantity of staff and quality of advice.

In policymaking more people make for more layering, more clearances, more concurrences, more warm bodies in air-conditioned committee rooms. A good staff is a small staff. If it always has much more to do than it can possibly do, it will do what is important, and not make difficulties in order to make work.

It is hard, I know, to devise a successful attack on this problem of overstaffing. We must be prepared, I believe, to consider the abolition or sharp curtailment of entire activities when these have become obsolete or of marginal importance. We must find a way to give top officers more freedom to hire, fire, and promote. And by clearer delegations of authority, we must reduce the number of people and agencies that get in on every act—and elbow for recognition at every curtain call.

Second. We need a clearer understanding of the role of the expert in the policy process.

Specialized competence is increasingly required to deal with national affairs. Most of the President's decisions demand expert advice—economic, military, scientific, diplomatic, and so on.

Yet an expert is a difficult man to have around the house.

His advice within his specialty merits closest attention. But expertness demands narrowness. We focus in order to get greater depth perception—but at the sacrifice of the panoramic view. And the expert is often the last man to recognize how little he sees. He is tempted to confuse the microcosm with the macrocosm—and we have seen experts who could not resist the temptation to claim the authority to speak definitively on issues foreign to their areas of competence.

I have seen a good many good scientists. I have the highest regard for their contributions to our national welfare. But I have often been astonished by a political naivete which is almost childlike in its simplicity and would be touching were it not dangerous to themselves and others. In their own fields they may recognize how much they do not know and how tentative their judgments must be—but let them step outside their fields and all too often they see things black and white.

We have a long way to go in mastering the problem of using experts. We must recognize that no one is a specialist in reading the future and that in policymaking the advice of the expert must be filtered through the only policy computer yet devised—the minds of responsible leaders.

Third. The time is overdue for a career development program to discover and train men who have the aptitude for policymaking and administration.

Excellence in the high posts of Government is the key to the success of all our efforts in foreign and defense policy. The President and his chief lieutenants are critically dependent on top career men who have the gift of seeing problems whole, of devising policies to meet them, and of administering complex operations.

In an age identified as it is with the expert—the scientist—we have too often underestimated the contribution of the generalist.

The Government of the United States is one of the most complicated systems ever devised by man for getting things done. The successful functioning of this system depends on the qualities of the men and women who make it up and the efficiency of the relationships which enable it to work at all. Yet among large employers our Government is virtually alone in not having a career development program to discover and train officials for top policy and executive tasks.

In fact, present arrangements almost force men to concentrate in their careers on the particular problems and special concerns of a single bureau or service.

In terms of their own needs, the Armed Forces have done much better. The very term "general officer" is a recognition of the need for men with broad training and experience and a largeness of mind. Attendance at this college or the National War College or their equivalent, together with a tour of duty in a joint or international command, is virtually required for those men who attain general officer rank.

A comparable effort is needed throughout Government, but especially in State, Defense, and the other agencies concerned with national security, to provide civilian officials with wide backgrounds of training and experience and to expose a selected group of military officers to day-to-day tasks in areas usually left to civilians.

We do not have any leadership aptitude tests or leadership achievement tests by which we can select tomorrow's leaders on the basis of their answers to a set of multiple-choice questions. They must be discovered by letting them distinguish themselves in a variety of jobs and trained by requiring them to exercise their abilities in a variety of tasks.

My friends, whatever your next assignment, you have your work cut out for you.

At a recent commencement Bob Hope's advice to the young people going out into the world was: Don't go. But that choice is not available, attractive as it sometimes seems.

The work you undertake—whether civilian or military, in this country or overseas—will be exacting. It will have its full quota of frustration and disappointment. But it will be rewarding, for it serves the cause of freedom.

The tasks ahead will tax our rich resources of talent and determination for the foreseeable future. We must live with the sword but not by it. Our military forces are the great shield behind which we work to build a better world.

We shall do so by strengthening the center of freedom, by building a powerful, prosperous, loyal partnership of the free men who live in the Atlantic and Pacific community. It is here, in this great community of freedom, that the foundations of the future lie—rising from the truly revolutionary idea that men need not choose between material progress and individual liberty.

A false fear of the unknown and obsession with the perils ahead will confuse our judgment and paralyze our efforts. We must

know that the future is the history we make day by day—and the page we are working on is bright with promise. So, let's get on with it.

MEXICO'S ROLE

Mr. MANSFIELD. Mr. President, the Christian Science Monitor published on June 9, 1962, a most interesting article, by Marion Wilhelm, on Mexico and President López Mateos. The article deals with the Mexican postrevolutionary experience in democratic, economic, and social progress and the implications of that experience for the Alliance for Progress.

Mexico and the United States have a great deal to gain from the closest collaboration; and, working together, the two countries have much to give to the rest of the hemisphere.

It is for that reason, as this article notes, that great importance attaches to the impending visit of President Kennedy to Mexico, on the invitation of President López Mateos, the outstanding Mexican and hemispheric leader. This personal visit of Mr. Kennedy will express, above all else, our high esteem and friendly sentiments for the people of Mexico and our great admiration for the extraordinary achievements of that nation during the past few decades.

At the same time, the meeting of the two Presidents will provide an unusual opportunity for a review of the current situation and a free exchange of ideas on the Alliance for Progress and other matters of common concern. I hope that from this meeting will come greater understanding, greater cordiality in every aspect of Mexican-United States relations, and a more effective and more unified approach on both sides of the border to all hemispheric problems. The close collaboration of Mexico and the United States is basic to the security and common progress of the Americas.

Mr. President, I ask unanimous consent that the article previously referred to be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 9, 1962]

MEXICO'S ROLE

(By Marion Wilhelm)

MEXICO CITY.—President Kennedy's conversations here late this month with Mexican President López Mateos could be the most significant since Presidents Franklin D. Roosevelt and Manuel Avila Camacho met in Monterrey in 1943.

Mr. Roosevelt crossed the southern border in recognition of Mexico's wartime contributions to his good-neighbor policy.

Mr. Kennedy comes to ask Mexico's peacetime support of his Alliance for Progress.

Mexico's partnership against the Communist peril today is no less important than its alinement against the Axis powers during World War II, and President Kennedy will find a willing adviser when he sits down to talks in Mexico City June 29 to July 1 with the democratic revolutionary leader of Latin America.

LIBERAL CONFIDANT

Señor López Mateos holds this distinction not only as the chief executive of Latin America's oldest and most successful revolution, but as a confidant of its liberal democratic presidents.

He is expected to press for U.S. comprehension of the economic changes which the liberal governments are making to win the democratic struggle with international communism and its aggressive hemispheric agent, Cuba's Fidel Castro.

Señor López Mateos is more than a match for Señor Castro. He is handing out land to peasants, but without confiscation. He is nationalizing production, but through the "Mexicanization" of investment capital in association with foreign companies.

REFORM CONSCIOUS

President Kennedy's Alliance for Progress with Latin America is also reform conscious but Mexicans feel it could be sabotaged if U.S. business interests do not support it.

This will be brought out during the Presidential talks probably as follows:

Foreign investors should be willing to mix their capital with Latin American capital to permit national control of basic industries under the free enterprise system, a moderate solution to the otherwise inevitable threat of nationalization.

PRESIDENT LÓPEZ MATEOS MEETING KENNEDY SOON

In Mexico, foreign capital is being welcomed under this highly profitable "51 percent" control formula, backed up by tax incentives and a free currency exchange. Many American companies are happy with the arrangement. But some are fighting it as socialism if not communism.

International banks should be ready to loan directly to Latin American governments in support of economic development, as well as to private enterprise.

Mexico is encouraged by the World Bank's reported approval of the first long-term loan to its newly nationalized electric power industry, a loan which also sets another precedent because it will finance a complete electrification program rather than a single specific project.

Price stabilization, however, is the only real and lasting contribution to the economic development of the southern half of the hemisphere, since price losses in the world market of Latin American raw materials outweigh all the incoming loans.

Mexican sugar is an immediate case in point as Congress considers the Kennedy administration's plan to discontinue bonus prices under the quota system which has favored friendly Latin American countries.

Lead, zinc, and coffee are other exports in trouble.

STATISTICS ON OLDER PEOPLE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement and chart setting forth current facts about the Nation's older people and submitted by the Senator from Michigan [Mr. MCNAMARA], chairman of the Special Committee on Aging, be inserted in the body of the RECORD.

There being no objection, the statement and chart were ordered to be printed in the RECORD, as follows:

SOME CURRENT FACTS ABOUT THE NATION'S OLDER PEOPLE

THEIR NUMBERS ARE GROWING RAPIDLY

The number of people 65 and over approached 17½ million in mid-1962 and continues to increase at the rate of well over 1,000 a day. The number is expected to more than double in the 40 years between 1960 and 2000, reaching 25 million by 1980 and more than 30 million by 2000.

Over the decade 1950 to 1960, the population 65 and older grew by about one-third. In Florida and Arizona, it more than doubled.

In 1900, only 1 person in 25 was 65 or older. Today, the proportion is 1 in every 11 for the Nation and is as high as 1 in 9 in a number of our States. Iowa has the highest proportion (11.9 percent) and Missouri next highest (11.7 percent).

Of our 17½ million older people, more than one-third have passed their 75th birthday. About 1 million people are past 85.

On reaching 65, women now have a life expectancy of 15.5 years; men, a life expectancy of 12.7 years.

THE MAJORITY ARE WOMEN

More than 9 million of those past 65 are women. There are 12 women over 65 for every 10 men and this disparity increases with age to reach 16 to 10 at age 85 and older.

On farms, however, there are only 84 aged women for every 100 aged men.

States in which the male aged population exceeds the female by a significant number are Alaska, Hawaii, Nevada, the Dakotas, and Wyoming.

NEARLY ONE-THIRD LIVE IN RURAL AREAS

More than 5 million of our elderly people live on farms or in small towns. In six States—Alaska, Mississippi, North Carolina, North Dakota, South Dakota, and Vermont—as many as 60 percent of the aged live in rural areas, double the proportion nationwide.

In many small towns throughout the Nation, one out of every four or five persons is 65 or older.

MANY ARE WIDOWED

More than half of all women 65 and over and one in five of the men are widowed. Of women 75 and over, nearly 7 out of every 10 are widows.

Only about half of all aged persons—fewer than four-tenths of the women, but more than seven-tenths of the men—are married and living with the spouse.

MOST LIVE INDEPENDENTLY

Fewer than 1 in every 25 aged persons lives in an institution. Only one in every four or five lives alone or lodges. The vast majority—more than four-fifths of the men and about two-thirds of the women—live with a related person.

For the men, this related person is usually the wife.

But for the women—because they tend to outlive their husbands—this related person is just as likely to be a son, daughter, or other relative.

THE VAST MAJORITY RECEIVE SOCIAL SECURITY BENEFITS

Practically all of the men 65 and over (96 percent) and the very great majority (nearly nine-tenths) of the women now have some cash income from a public income-maintenance program or from employment.

Fewer than one-fourth have earnings either as workers or as wives of workers; almost all of those with earnings are also receiving benefits under the social security program.

Nearly 12 million people over 65—more than two-thirds of the total aged population—now draw social security benefits (OASDI). (Benefits under this program are also being paid to many other older persons who are not yet 65: men and women aged 62 to 64, and older disabled workers.)

Persons currently drawing social security benefits, or eligible to do so if they retire, make up three-fourths of the total population over 65 and as much as 95 percent of the population now reaching 65.

Old-age assistance is currently paid to 2.2 million aged persons; about one-third of these cases are on the rolls because their social security benefits do not meet their needs or because advanced age, large medical bills, or other emergencies have exhausted their resources. Of persons now being added

to the rolls, about every other one is a social security beneficiary.

INCOMES ARE LOW

Except for full-time earnings—which very few of the aged have—the sources of income of the aged are not the kind that yield large amounts.

The average monthly old-age benefit paid to retired workers under OASDI, for example, is about $76 for all those on the rolls and $80 for those now coming on the rolls.

Widows' benefits average considerably lower and every study has shown that, as a group, aged widows have an especially hard time making ends meet.

Old-age assistance recipients received an average of $72.08 in March, of which $57.74 was in the form of money payments to recipients and $14.34 in vendor payments for medical care. In a half dozen States, the average of all assistance—for both maintenance and medical care—was $50 or less.

Not surprisingly, then, more than half of all persons 65 and older—27 percent of the men and 74 percent of the women—had less than $1,000 total cash income in 1960; fewer than one in four had as much as $2,000.

Two-person families with a head 65 or older had median money incomes of $2,530 in 1960, less than half that for younger two-person families. The median for aged persons living alone was only $1,055.

Incomes are especially low in rural areas. The median money income in 1960 for the aged living in rural farm areas was only $740, more than $200 below that for all persons 65 and over.

Many older persons have assets accumulated in earlier years to supplement their income. But, in general, those with the smallest incomes are the least likely to have other financial resources. And, for the usual retired person, most of the savings are tied up in their homes or in life insurance, rather than in a form readily convertible to cash.

BUDGET COSTS EXCEED INCOMES

The cost of a "modest but adequate" level of living for a retired elderly couple renting a home has been estimated by the Bureau of Labor Statistics to range from $2,390 to $3,110 for 20 large cities in the autumn of 1959.

This budget applies to a retired man and wife in reasonably good health for this age who require no unusual medical or other services. (It does not make allowances for any savings that result from home ownership.)

Their budget costs relative to costs for younger adults are about the same for all goods and services combined, but are 50 to 75 percent higher for medical care and 20 to 45 percent higher for housing.

MANY HAVE HEALTH PROBLEMS

The aged person has a 1 in 6 chance of going to a hospital in a given year.

Persons over 65 spend two to three times as many days in hospitals, on the average, as do younger persons.

Chronic conditions, which occur with much greater frequency at the older ages, limit the activity of more than one-third of all persons aged 65–74 and more than half of those aged 75 or older.

Elderly farm families suffer more disabling illnesses than do urban residents. Nearly half of all aged persons residing in rural areas, in comparison to 39 percent of the urban, have chronic conditions which limit their activity. Bed disability days per person per year average 17 for the rural farm aged in contrast to 11.8 for the urban.

THEIR MEDICAL COSTS ARE GREATER

Medical costs thus become higher during the period of life when income shrinks and when there is less opportunity to spread the cost burden through health insurance.

Private medical costs for aged persons averaged $177 per capita in a year (1957–58), in contrast to $86 for younger persons. Of all public expenditures for medical care, nearly one-fifth is in behalf of the aged. Close to 30 percent of total public expenditures for patient care in hospitals goes for treatment of the aged, triple their numerical proportion.

Only half of them have any health insurance to help in paying their medical costs. Those who would have the greatest difficulty in meeting medical bills—the retired, those with lowest incomes and the persons with major chronic health problems—are the least likely to have the advantage of any health insurance coverage.

In 24 States, there are now Kerr-Mills programs of medical assistance for the aged. But only 88,000 aged persons—one-half of 1 percent of the aged population—received help under these programs in March.

Five States—New York, Massachusetts, California, Michigan, and West Virginia—accounted for 83 percent of all recipients and for 90 percent of all Medical Assistance Act payments.

The States and their older population

State	Characteristics of the population 65 and over as of Apr. 1, 1960					Percent of aged population receiving OASDI and OAA as of June 30, 1961			Average OAA payments March 1962
	Total number	As percent of all ages	Percent change over 1950	Males per 100 females	Percent living in rural areas [1]	OASDI benefits	OAA payments	OASDI or OAA or both	
Total	16,559,580	9.2	+34.7	82.8	30.4	65.7	13.4	74.9	$72.08
Alabama	261,147	8.0	+31.5	81.2	49.5	56.2	37.4	84.2	63.42
Alaska	5,386	2.4	+13.6	163.9	60.1	57.3	23.7	72.3	70.13
Arizona	90,225	6.9	+103.9	98.9	21.4	59.6	14.6	69.6	59.30
Arkansas	194,372	10.9	+30.5	95.5	57.9	58.8	28.6	82.1	52.58
California	1,376,204	8.8	+53.8	78.9	12.7	63.7	17.8	72.6	99.84
Colorado	158,160	9.0	+36.8	84.0	24.9	58.6	29.3	75.7	97.91
Connecticut	242,615	9.6	+37.2	79.2	19.0	73.1	5.5	76.1	[2] 146.14
Delaware	35,745	8.0	+35.8	80.8	34.3	68.6	3.3	71.0	48.94
District of Columbia	69,143	9.1	+22.0	65.0		53.1	4.4	56.0	85.09
Florida	553,129	11.2	+132.9	95.7	21.4	62.4	11.6	69.7	60.54
Georgia	290,661	7.4	+32.3	73.5	46.6	53.6	32.1	79.5	48.61
Hawaii	29,162	4.6	+42.8	116.8	26.2	67.8	4.8	71.4	65.76
Idaho	58,258	8.7	+33.8	101.2	47.5	69.8	12.1	77.8	70.97
Illinois	974,923	9.7	+29.2	81.9	22.1	67.3	7.0	72.3	82.41
Indiana	445,519	9.6	+23.4	82.4	39.2	72.4	5.8	76.7	67.92
Iowa	327,685	11.9	+20.0	83.6	46.3	66.9	10.1	73.9	86.35
Kansas	240,269	11.0	+23.7	83.2	45.4	64.4	11.3	72.7	85.39
Kentucky	292,323	9.6	+24.3	87.1	54.1	63.9	18.8	78.7	53.90
Louisiana	241,591	7.4	+36.6	79.6	39.4	47.9	50.8	82.9	77.28
Maine	106,544	11.0	+13.9	82.2	48.1	73.4	10.3	79.7	69.33
Maryland	226,539	7.3	+38.5	75.3	29.0	62.5	4.1	65.6	68.20
Massachusetts	571,609	11.1	+22.0	71.8	13.6	69.9	10.8	75.0	83.38
Michigan	638,184	8.2	+38.2	89.2	29.3	73.9	8.6	79.5	79.82
Minnesota	354,351	10.4	+31.7	90.8	38.7	65.7	12.6	74.3	99.52
Mississippi	190,029	8.7	+24.2	87.1	65.2	55.7	42.3	85.7	35.64
Missouri	503,411	11.7	+23.6	81.3	37.5	62.7	22.1	77.3	61.17
Montana	65,420	9.7	+28.6	105.9	48.5	67.2	9.7	73.6	65.63
Nebraska	164,156	11.6	+25.9	87.0	49.4	65.8	8.6	72.2	77.28
Nevada	18,173	6.4	+65.4	117.0	28.8	60.9	13.3	67.1	83.75
New Hampshire	67,705	11.2	+17.2	78.3	43.4	74.3	7.1	78.6	91.33
New Jersey	560,414	9.2	+42.2	78.8	11.7	72.1	3.3	74.2	100.61
New Mexico	51,270	5.4	+55.1	98.6	37.4	53.6	20.5	70.3	71.68
New York	1,687,590	10.1	+34.1	80.1	14.3	70.3	3.5	72.5	[3] 81.45
North Carolina	312,167	6.9	+38.6	79.8	61.0	65.5	14.9	77.7	50.42
North Dakota	58,591	9.3	+21.6	104.7	66.2	67.4	12.0	76.4	84.05
Ohio	897,124	9.2	+26.5	82.2	26.0	68.0	9.8	74.5	78.46
Oklahoma	248,831	10.7	+28.3	85.1	41.7	54.4	34.8	80.0	82.35
Oregon	183,653	10.4	+38.1	91.9	32.6	72.9	8.7	78.3	[3] 83.44
Pennsylvania	1,128,525	10.0	+27.3	81.8	26.3	70.2	4.3	73.2	69.35
Rhode Island	89,540	10.4	+27.2	74.5	11.0	75.8	7.3	79.9	81.56
South Carolina	150,599	6.3	+30.9	74.3	58.1	59.3	20.2	77.9	44.51
South Dakota	71,513	10.5	+29.3	99.1	62.2	66.7	11.6	75.4	76.21
Tennessee	308,861	8.7	+31.5	82.8	50.2	59.5	17.1	74.5	44.98
Texas	745,391	7.8	+45.2	82.6	33.5	55.2	28.5	76.4	63.64
Utah	59,957	6.7	+41.3	86.9	24.2	65.6	12.1	74.4	78.19
Vermont	43,741	11.2	+10.6	76.9	60.6	70.1	12.8	78.3	75.44
Virginia	288,970	7.3	+34.7	79.1	49.3	63.3	4.9	67.6	54.83
Washington	279,045	9.8	+32.0	91.2	28.8	68.9	16.5	78.6	95.25
West Virginia	172,516	9.3	+24.5	94.8	58.1	69.2	10.8	78.8	42.53
Wisconsin	402,736	10.2	+29.9	88.7	38.4	72.4	8.1	77.8	92.83
Wyoming	25,908	7.8	+42.6	107.8	39.9	64.0	11.5	71.0	78.93

[1] Places of 1,000 to 2,500 and other rural areas.
[2] Includes retroactive payments to vendors for medical care; February average was $105.29.
[3] Represents data for February; data for March not available.

ATTITUDE TOWARD U.S. TESTS ENCOURAGING, USIA FINDS

Mr. YOUNG of Ohio. Mr. President, my attention was called today by a constituent to an excellent news article published in the Columbus Dispatch of June 10. The Columbus Dispatch is a leading newspaper in the State of which I am proud to be junior Senator.

This news article was written by Carl DeBloom, chief of the Washington bureau of the Columbus Dispatch. He is to be congratulated upon his factually correct statement and his objective interpretation of the encouraging findings made by USIA officials of the attitude in the free world toward the nuclear atmospheric tests recently reluctantly undertaken by our Nation, following our giving the leaders of the Soviet Union every opportunity to agree to ban such tests, provided adequate safeguards were set.

It is evident that Carl DeBloom in the comparatively short time he has been in the Nation's Capital as chief of the

Washington bureau, has rapidly forged to the front as one of the outstanding reporters commenting on what takes place in the Nation's Capital and throughout the world as a result of activities here in Washington.

I consider his article an important one, worthy of being called to the attention of my colleagues, and I ask unanimous consent that it be printed at this point in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Columbus Dispatch, June 10, 1962]

ATTITUDE TOWARD U.S. TESTS ENCOURAGING, USIA FINDS

(By Carl DeBloom)

WASHINGTON.—The U.S. Information Agency probably has one of the toughest selling jobs any salesman has ever faced—convincing the world it should "buy" a product that could destroy civilization.

When President Kennedy announced that this Nation would resume nuclear testing because of previous testing by the Russians, USIA was handed the task of telling the peoples of foreign nations "it is for your own good."

The task compares with the assignment of convincing a youngster that a big dose of castor oil is good for him. Even those few youngsters who might agree don't really like it.

Now that nuclear testing in the atmosphere is well underway USIA has had an opportunity to check its efforts. Generally the results seem encouraging although there is no way of knowing how many were swayed by USIA's efforts.

Some of the steps taken by the agency to get the United States' story across were these:

The President's statement of March 2 announcing the tests and explaining the reasons was sent to 95 USIA posts overseas. It was quickly translated into local languages to be run in full in newspapers.

Additional statements have been handled in a similar manner. Favorable editorials and cartoons from the free-world press have been made available to foreign newspapers.

A one-reel film outlining the necessity for international agreement on nuclear testing, called "Gateway to Peace," has been sent to 106 countries. Distributed in 22 languages the film stresses the Soviet refusal to accept such an agreement.

Another film stressing the same theme followed on April 13. Titled "The Search for a Treaty," it is available in 106 countries and is based on Kennedy's March 2 message.

Supplementing these documentary films are newsreel clips covering the March 2 statement. USIA made the clips available in both 16-and 35-millimeter versions.

The USIA radio service gave wide coverage to the March 2 announcement. Private industry with international affiliation gave a hand and 350 firms distributed copies.

A study of the heavy news coverage after testing resumed leads USIA to characterize press reaction as "tolerant understanding."

"Few (newspapers) took a hard position for or against the U.S. action," USIA says. "Most comment included qualifying statements, and the effect was to soften the chosen position."

Beyond the general health factor, the most common overriding fear was the specter of a never-ending nuclear arms race leading to world disaster, the survey showed.

Most critical comment came from Africa, Syria, Iraq, India and the United Arab Republic. Generally, the opposition was against nuclear testing by any nation, including Russia.

The United States received strong support from Western Europe, Latin America, and the CENTO countries. These same countries also were highly critical of the Soviets for breaking the test moratorium.

With Russia threatening to resume testing, it appears USIA will have a continuous job of sugar coating this nasty tasting pill which seems to be the only known cure for those bitten by the war bug.

FRANCO'S DESPERATE HOURS

Mr. YOUNG of Ohio. Mr. President, it is evident to the world that dictator Franco is in trouble and that these are Franco's desperate hours. Recently in this Chamber I stated, in connection with the renewal of our bases in Spain and our foreign assistance program, that we would do well to stop, look, and listen before proceeding further, and that we should not permit this dictator, who is suppressing freedom in his country, to consider that he has us "over the barrel" and that he can extort money from us.

Furthermore, I took a very dim view of foreign assistance being given by this Nation to dictatorships, such as Franco's in Spain, and Duvalier's in Haiti, where year after year we have given aid and year after year the inhabitants have been held in helplessness, misery, and squalor, without civil liberties.

In the New York Post there is a fine editorial which states:

Rumblings inside Franco Spain grow steadily louder and full of portent. The Generalissimo shows rising symptoms of panic as the opposition spreads; new measures of oppression are accompanied by desperate efforts to brand as "Communist" every variety of conservative, Catholic, and monarchist disaffection from his decaying despotism.

After all, 23 years of tyranny must have broken many free spirits, and the machinery of modern dictatorship is not easily destroyed. Still enough has already happened to suggest Franco is in his deepest distress since he smashed the Spanish Republic.

For Spaniards who have kept alive the vision of liberation, these are dramatic moments. One yearns to hear more voices in the Congress of the United States speaking out in behalf of their fight for freedom.

In this connection, in John Gunther's recent great work "Inside Europe Today," he said:

One lesson that may well be drawn from all this is that it is always dangerous for a democracy, like the United States, to become too closely involved with a dictator or semi-dictator, no matter how convenient this may seem to be. It is the people who count in the long run, and no regime is worth supporting if it keeps citizens down—if only for the simple reason that they will kick it out in time.

Apparently, the liberty-loving people of Spain are on the alert and Dictator Franco will soon be out. A free Spain could become a genuine bulwark of democracy.

NUCLEAR WARFARE—NOT BY INTENT BUT MISCHANCE

Mr. YOUNG of Ohio. Mr. President, it is significant that Secretary General U Thant of the United Nations in a recent statement announced his view that neither the Soviet Union nor the United States would deliberately launch a nuclear war. Nuclear missiles are not weapons of war but are means of indiscriminate destruction. He stated that "the risk of war by accident is becoming greater and greater. Both the nuclear giants have rockets ready to be triggered in a few minutes, and the risk of a nuclear warhead leaving the launching pad unintentionally is very great." The smaller powers of Europe, such as the Scandinavian countries, Belgium, Holland, Spain, and Portugal, and their neighbor nations—Italy and France—could contribute to removing distrust and bitterness on the part of the leaders of the Soviet Union against this Nation. In this manner they would work toward permanent peace. Unfortunately, these smaller nations, and particularly West Germany, France, and Italy, are seeking to develop nuclear weapons. If they succeed, or any of them succeed, then the chance that a nuclear war would be triggered by accident or mischance instead of by design would be greatly increased. The United States, and its leaders, should stop, look, and consider implications and dangers involved in connection with any expansion of nuclear power and adding to nuclear weaponry and nuclear know-how anywhere else in the world.

A NOTE OF TRIBUTE TO THE BOY SCOUTS OF AMERICA, ON BOY SCOUT CHARTER DAY, 1962

Mr. LONG of Missouri. Mr. President, Boy Scout Charter Day is a national event in every sense of the word. As a nonmilitary, nonsectarian, and nonpolitical organization, dedicated to the development of healthy and hardy virtues, the Boy Scouts of America have few critics and many friends. Chartered by Congress, 46 years ago today, the Boy Scouts came into existence for the purpose of building leadership. It is the judgment of America that this purpose has been fulfilled, a thousandfold.

Nowhere in America is the Boy Scout movement more deeply revered than in the State of Missouri. Irondale, located in Washington County, Mo., is the site of one of the largest and best equipped Boy Scout camps in the Nation. Founded in 1914 by the St. Louis Council of the Boy Scouts of America, the camp consists of 210 acres, on which there are 165 buildings, including a large amphitheater and auditorium. The people of Irondale, Washington County, and all of Missouri are proud of their association with this camp, and their consequent association with the ideals of the Boy Scout movement.

Camp Lewallen, near Coldwater, in Wayne County, is another Boy Scout recreation center of which Missouri is duly proud. Still another: Camp Maries, located near Jefferson City on a knoll overlooking the Maries River.

The people of Missouri are fully in accord with the practices and purposes of the Boy Scouts of America, and offer their congratulations, on this day: Boy Scout Charter Day, 1962.

REDUCTION OF FEDERAL TAXES AND SPENDING

Mr. CAPEHART. Mr. President, I recommend and urge the Congress to reduce Federal taxes by $10 billion and Federal spending by $15 billion before this session adjourns.

I urge the President to approve this program and place our Government back on a sound fiscal policy with consequent restoration of confidence of the American public, halt to inflation, and return to a sound economy.

Why? Because it is the only sound way out.

The administration has proposed a tax cut only. But any reduction in income without a corresponding reduction in expenditures is unrealistic. Such a program would not give the relief sought and would not be sound fiscal policy.

Governments, at all levels, are as inflexibility bound by an unbending economic rule as are individuals. That is, if either spends more money than it has, it goes broke.

Three major slumps in the stock market in as many weeks give evidence American investors, large and small, are losing confidence. Individuals are weighted down by taxes, direct and hidden.

Yet Government continues to spend around the world with complete abandon, with no apparent regard for the burden on corporate and individual taxpayers for generations to come.

The time has long passed for retrenchment. There is no better time than now to begin. If we cannot quit spending and provide tax relief now, when can we?

War-ravaged European nations, using American dollars generously given, have recovered economically and industrially to a point where they are a serious threat to the United States in world markets.

Because of the fiscal policies of the Federal Government, American and foreign investors are wary about purchasing stocks and other securities. They are becoming afraid to invest further in America. The consequent outflow of gold is a threat to stable currency.

This condition must not be permitted to continue. The time to act is now.

If a farmer, worker, or businessman is going deeper in debt all the time, his interest payments keep going up, and all experiments he tries, sincere as they may be, fail to increase his income. He cannot borrow any more money because his backers lose confidence in a losing proposition.

So, such a farmer, worker or businessman faces two alternatives:

First. He may go broke, or

Second. He may reduce his expenses below his income, start to pay off his debts, and reduce his interest payments.

Eventually, his backers or shareholders recognize a change from unsound to sound operation and they start to back him again. Eventually he prospers again and rehires the people he had to lay off. Everybody benefits.

So with the Government.

Basically, we all recognize this as the financial dilemma of today.

We are in debt to the point that interest is eating us up.

Our debts continue to increase because we continue to spend more than we take in.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The time of the Senator from Indiana has expired.

Mr. CAPEHART. I ask unanimous consent that I may have 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. Our backers—the taxpayers who pay the bills—are losing confidence in us. We are in trouble. Investment capital is understandably timid. Markets slump.

In Government, the problem is complicated by the international effect of an unsound dollar. Central banks of foreign nations withdraw their investments and our gold begins the flight abroad. It is happening.

As members of the board of directors, it is our moral responsibility, our solemn duty, to do the only thing anybody can do—cut expenses below income.

We say, in effect: We are going to get along with less money than we take in, and we are going to start paying off our debts.

Thus, we relieve the demand on our backers. We regain their confidence. They are willing to help us. We benefit; everybody benefits.

It is the only sound way out, Mr. President, and I urge that the Congress and this administration give it very serious consideration.

There is no more a substitute for sound economics in government that there is in a family budget, a farm, or a business.

We still have the highest income in history, the highest gross national product, more people at work than ever before despite increasing unemployment, and a potential economy that is reluctantly falling asleep because it is not interested in a losing proposition. Let us wake it up the sound way.

With all these plus factors, if we cannot put our financial house in order now, when can we?

Mr. President, tomorrow I shall submit a concurrent resolution to follow through on the suggestions I have made.

CONGRESSIONAL TASK OF REINSPIRING CONFIDENCE

Mr. DIRKSEN. Mr. President, apropos of what the distinguished Senator from Indiana has said, and also in line with the statement made yesterday by the distinguished Senator from New York [Mr. JAVITS] I wish to speak on the same general subject.

The Senator from New York suggested that the controversial portions of the tax bill which is now before the Senate Committee on Finance be junked and that there be added an incentive income tax.

I respectfully suggest to the Congress that, in an objective appraisal of the problem which is before us and for the purpose of reinspiring confidence, the Congress should hold a mirror up to itself also, because it cannot escape its responsibility.

I think, for instance, of the drug bill in its original form, with a feature for compulsory licensing, registration, and that sort of thing.

I think, for instance, of the civil investigations demand bill, which will come to the Senate in the form of a conference report sometime soon.

I think of a bill on which testimony is now being taken to freeze all the merger proposals—some 20 of them—pending at the present time before the Interstate Commerce Commission, a body created by and authorized by the Congress to look into this question.

I think of the constant effort made to amend the Robinson-Patman Act and to destroy the "good faith" defense which, under existing law, can be used.

I think of the standby tax cut proposal.

I think of the withholding tax proposal.

I think of the farm controls that came to us in the original bill.

And I think of Federal spending.

I made a modest effort yesterday and the day before, which did not command very many votes in the Senate. Senators cannot merely stand and talk about reducing spending—there must be some affirmative action.

When a Senator says to me, "I have a project in the bill" I can only reply, "I have projects, too." I come from a huge State with 10½ million people. I am sometimes hurt, and my people are hurt, but there comes a time when it is necessary to put the national interest first. We cannot always be parochial and provincial in respect to our responsibility in that field.

I remind the Senate that it should hold up the looking glass to itself now, when there is talk about restoring confidence in this country, and it should take a good objective look at what we have to do and what is our real duty in order to cut the cloth properly in respect to demands, and the revenues which are available to meet those demands.

SENATOR NEUBERGER CALLED "SWEETHEART OF U.S. CONSUMERS"

Mr. GRUENING. Mr. President, consumers have no more loyal champion than the Senator from Oregon, MAURINE NEUBERGER. Since coming to the Senate, she has worked arduously for legislation which will protect consumer rights. As a member of the Oregon State Legislature, she had sponsored and helped enact into State law legislation assuring the buying public of an honest purchase.

Senator NEUBERGER last year fought for truth in lending, for a study of consumer problems through a Select Committee on Consumers, and for air pollution control legislation. In each area great progress has been achieved.

Recently Senator NEUBERGER was a featured speaker at the Cooperative League's Government Affairs Conference which was held in this area. Because highlights of her remarks as they appear in the June 6, 1962, issue of the Co-op Newsletter concern each consumer, I ask unanimous consent that it be printed in the RECORD. I applaud the action of co-op officials in calling Oregon's junior

Senator the "Sweetheart of U.S. Consumers."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR LIKES LOW-KEY CO-OP TOOTHPASTE AD

WASHINGTON.—Halfway through a talk on the consumer and Congress, Senator MAURINE NEUBERGER, Democrat, of Oregon, paused to read the label on co-op toothpaste and praised its "informative, factual appeal."

It is, she said, "a welcome relief" from other toothpaste ads that "constantly try to hoodwink the customers." Such ads, she said, "constitute the major irritating ingredient built into the toothpaste."

Surprised co-op officials afterward agreed that "the sweetheart of U.S. consumers" had delivered the most effective unsolicited, unpaid commercial announcement in memory.

Speaking at the Cooperative League's Government Affairs Conference here May 25, Mrs. NEUBERGER charged that the marketplace continues to spawn monopoly and abusive, wasteful practices.

"The most insidious evil of all is the continued state of consumer ignorance." This is fostered by deceptive packaging, spurious appeals, and tricky labels, she said. Generally, consumers lack the facts to select and consume wisely.

Fresh from Senate debate on the farm bill, Senator NEUBERGER told how she grew up on a dairy farm and milked nine cows every morning for 10 years. "But this year I'm voting with the city folks, the consumers." She pledged to support administration amendments "that would bring the farm bill back to reality."

The Oregon Senator said it isn't her purpose "to take the homemaker by the hand" and lead her to the "best buys" in the marketplace. "Rather I'm interested in seeing that product makers give her the facts she needs to make an informed choice."

"How does the consumer know the Government alphabet is working to protect his interests?" she asked. "He needs something that has the word consumer in it—a department he can identify with his interests." She urged a truth-in-lending bill and one to require drug makers to give up patent restrictions.

DR. FREDERICK G. KRAUSS

Mr. FONG. Mr. President, I would like to give final tribute to an adopted son of Hawaii, Dr. Frederick G. Krauss, who has been hailed as the father of diversified agriculture in Hawaii, and who passed on to his eternal reward on June 4.

In 1901, he arrived in Honolulu to teach agriculture courses at Kamehameha schools.

During the ensuing 61 years in the islands, Dr. Krauss served as an agronomist on the University of Hawaii faculty and at the Hawaii Experiment Station, and director of the agricultural extension service.

In addition, he helped organize Hawaii's first 4–H Club chapter.

Dr. Krauss established a model farm at Haiku on the island of Maui, to prove his theory that Hawaii's agricultural future included more than pineapple and sugar.

Despite his advanced years—he was 92 at the time of his death—Dr. Krauss remained active. During the last few years he confined himself to conducting small-scale seed experiments in his backyard.

Through his conviction, foresight, and experimentation, Dr. Krauss has left a legacy to the State of Hawaii—the diversification of our agricultural industry. It is heartening that in his lifetime he witnessed the fruit of his labors.

Mr. President, I ask unanimous consent that the editorial tribute to Dr. Krauss which appeared in the Honolulu Star-Bulletin of June 6, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HE LOVED THE SOIL

The death of Dr. Frederick G. Krauss at 92 recalls an interesting era in the agricultural development of Hawaii.

He came to Hawaii as a teacher of agriculture, first at Kamehameha, then at the University of Hawaii. When it appeared that his classroom exhortations in support of diversified agriculture were not hitting the mark, he left the classroom and established a model farm on Maui, which he operated successfully for nearly a decade before returning to the university.

Dr. Krauss made his point, and diversified farming today is a well-established fact of agricultural life in Hawaii.

Changing times have brought changing problems to the farmer, and not the least of them is the inefficiency of smallness as a handicap in competition with industrial-scale farming, which makes it possible to land mainland produce on the local market at prices competitive with domestic production.

Nevertheless, Hawaii is still far from being self-sufficient in food production, and the point Dr. Krauss made a half century ago remains valid today. There are new problems to be overcome today, but the basic opportunity remains.

Few men were more devoted to growing things that Dr. Krauss. Up until advancing age incapacitated him, he continued his backyard agricultural experiments.

Dr. Krauss leaves many living memorials. The 4–H clubs came into being under his leadership. So did the university's Haleakala experiment station.

And many a youngster who competed for Star-Bulletin garden prizes will remember him as the kindly but keen-eyed judge who helped to make the decisions.

Dr. Krauss made contributions to the growth of Hawaii that will be felt far into the future. He loved the soil and he helped others to love it and make it produce.

ILLEGAL OIL DRILLING IN TEXAS OF NATIONAL CONCERN: WIDENING SCANDAL

Mr. YARBOROUGH. Mr. President, the fast developing investigation of illegal oil drilling in the east Texas oilfields involves some of the most complex legal questions that we are likely to encounter for many years to come. The Dallas Times Herald, in an article by Oil Editor Richard Curry, on Sunday, June 10, presents a simplified report of some of the ramifications of the east Texas oil situation. The Times Herald story makes it clear that investigation of this massive oil operation will go on for quite some time and will be an extremely difficult one. I would like to call the attention of the Congress to some of the problems involved and something of the background of the east Texas oilfield. It is clear that the investigation now underway in Texas will be of extreme importance to all of us because of the role of oil in our national economy.

The Dallas Times Herald states that illegal drilling techniques may have resulted in the production of $6 million worth of "hot oil" monthly.

Mr. President, that refers to stolen oil in the private ownership sense and to "hot oil" in the public ownership sense—oil which is produced and transported in violation of Federal law. Over a period of 25 months, this would amount to a monumental fraud of approximately $150 million.

And if this illegally produced oil is marketed across State or National lines, it is in violation of the Federal statute, the Connally Hot Oil Act of 1935, authored by one of my predecessors from Texas, the Honorable Tom Connally.

I ask unanimous consent to have printed in the RECORD an article by Oil Editor Richard Curry in the Dallas Times Herald of Sunday, June 10, under the caption, "Six Million Dollar Oil Swindle Charged—Evidence Mounts—Oil Scandal Indications Stun Etex."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIX-MILLION-DOLLAR OIL SWINDLE CHARGED—OIL SCANDAL INDICATIONS STUN ETEX

(By Richard Curry)

KILGORE.—This proud east Texas city is the home of Van Cliburn, the Kilgore College Rangerettes and the largest oilfield in the Nation.

People here hope Kilgore will not become a focal point in an ugly oil-theft scandal.

But there is a growing mass of data pointing to possible wide-scale production of crude oil through illegal, slanted drilling techniques. None of the charges has reached the court verdict stage yet. Both State personnel conducting the investigation and the owners of leases being investigated are reluctant to talk. Despite this, the following facts are known:

At least 8 out of 10 wells surveyed so far were slanted to such a degree that the wells could not be producing oil from their own leases.

Several wells scheduled for investigation were plugged with cement or other clogging materials when it became known those wells would be tested for slant. By plugging a well, it is possible to make testing much harder to conduct, and in some cases, impossible.

The investigation has figured in testimony in a murder trial involving a major oil company investigator who claimed self defense in the shooting of an oilfield roughneck. The investigator was found innocent by a Rusk County jury.

Threats of violence have been made against staff members conducting the investigation.

Two Kilgore employees of the railroad commission, which regulates oil production, were dismissed last month after the investigation began and following the administration of polygraph (lie detector) tests to all commission engineers and field men here. Said Commission Chairman William Murray: "I cannot deny that the two employees were fired."

Several major oil companies have filed multimillion damage suits against operators of leases adjacent to the companies' leases charging the operators with illegal production of oil from beneath the companies' leases.

Attorney General Will Wilson has filed a $3.4 million suit against several operators for deviating well holes and plugging the wells.

Neither this case nor the cases brought by the major oil companies have been heard in court.

The investigation and rumors surrounding it have resulted in charges of "oil piracy." Some observers have already likened the story to the Billie Sol Estes scandals. State officials felt it necessary to call in about 60 armed Rangers and department of public safety personnel to assist in the investigation. The Times Herald learned last week that illegal drilling techniques may have resulted in the production of $6 million worth of hot oil monthly.

For their part, some independent operators in the east Texas field have banded together and branded means used in the investigation by State agencies as "police state methods." A spokesman for the group said "the attorney general and department of public safety in our opinion have overly dramatized the situation." One purpose of the new group was reported to be to gather information which members can use in individual lawsuits and to save on legal fees.

All the charges and counter-charges revolve about deviation, directional or slanted-hole drilling. What is it?

Petroleum technology has reached such an advanced state that it is possible to aim or slant the drilling bit in a well so that the well hole can make an angle of as much as 60 degrees with the true perpendicular beneath the well at the earth's surface. This practice has entirely legitimate purposes and is often used in offshore well completions as a cost- and maintenance-saving device so that many wells drilled directionally can be completed from a single, stationary drilling platform.

The practice can also be illegal. The railroad commission has issued orders that well holes may not slant more than 3 degrees from the true perpendicular without a commission permit. By law, the owner of a lease whose well produces oil through a slanted hole bottomed in an adjacent lease can be fined up to $1,000 per day for each day's violation. In addition, the owner of the adjacent lease can bring suit to recover the value of the oil produced illegally.

Production of oil from an illegally-drilled hole might also be in violation of a Federal statute, the Connally Hot Oil Act. Perry Blanton, director of the Federal Petroleum Board in Kilgore, refers all questioners to Secretary of the Interior Stewart Udall in Washington, but it is known that the Department has moved several field investigators into the Kilgore area recently.

It is possible to determine the slant of a well hole. An inclination survey can determine how many degrees outside the legal 3-degree limit a well was drilled. A directional survey can be taken to determine in what direction the well slants and into which oil pools. A well is in violation of State law if it exceeds the 3 degrees limit, no matter where it bottoms out.

The railroad commission has been conducting inclination surveys from its Kilgore district office for the past 10 days. Atty. Gen. Will Wilson has called results of the tests "startling."

Roy D. Payne, Kilgore district supervisor for the railroad commission, told the Times Herald last week that out of 10 wells surveyed, 8 were so slanted that the wells could not be producing from the leases on which the wells are located. Payne said further that at least 160 such tests on leases on which more than 1,000 wells are located are planned "in this first phase of the investigation."

If illegal, slant-hole drilling has taken place in the east Texas oilfield, the stakes are enormous. The field, largest ever found in the United States, originally contained about 5 billion barrels of oil and was discovered in 1931. Despite the fact that after more than 30 years of production the field still has more than 2 billion barrels of oil, production in some areas of the field is playing out.

Most of the commission tests so far are on the east side of the big field where crude oil production has been drying up for several years. If an operator on the east side of the field were to see his production dwindling, it would be possible for him to drill a slanted hole from the original well shaft to more prolific production west of his well and thereby assure his well of higher production for as long as 2 years.

This possibility and evidence already gathered in the investigation form the basis for the ugly rumors revolving around the field.

A Kilgore resident, who pleaded anonymity, said last week that he had heard stories from oilfield roughnecks of illegal well slanting as long as 5 years ago. Another said illegal drilling techniques in the field had been joked about for years.

Some of the stories being told in Kilgore do indeed have a humorous edge. One involves a well which suddenly began producing oil mixed with drilling mud while a well on an adjacent lease was ostensibly being worked over.

Another story is told of an operator completing a well, receiving commission approval for the straight hole and then drilling a crooked hole on the sly. Another story involves a drilling bit in an illegally slanted hole intercepting the producing shaft of a well drilled 330 feet inside its lease boundary; these wells were not even within seeing distance of each other.

Attorney General Wilson said last week one of the deviated wells already surveyed slanted 56 degrees. He said the well was bottomed at 3,500 feet below ground surface, but held 5,100 feet of pipe. The horizontal distance from the ground opening of this well and its bottom was 3,286 feet.

There is evidence the railroad commission suspected possible illegal drilling in the east Texas field as long as a year ago. A commission order dated May 10, 1961, states "all wells drilled in the east Texas field must be drilled with due precaution to maintain a straight hole." The order said further that "all operators of all wells hereafter drilled will conduct an inclination survey for each 500 feet of hole drilled beginning at a point within 500 feet of the surface."

Last December, the commission persuaded Payne, who served with the agency in Kilgore in 1932–35 when Rangers were first called to the field to enforce the commission's proration orders, to take over as district supervisor.

The investigation reached widespread public notice when the commission in April sent letters to operators ordering them to prepare their wells for inclination surveys. Response to the letters was generally regarded as poor. The commission held a hearing May 15 at which operators were given an opportunity to show why their wells should not be surveyed or their pipeline connections severed. The hearing room was packed with operators and their lawyers, but only one person testified.

When the commission went ahead with plans to test wells for deviation, fieldmen found some of the wells plugged with cement. It was at that point that a big force of Rangers and other law enforcement personnel was called into Kilgore to assist the commission. In addition, the commission on June 1 issued an order prohibiting all plugging of wells in the field for 15 days.

Since that time, inclination tests have been speeded up with testing conducted on a 24-hour-a-day basis at the end of last week.

Meanwhile, the people of Kilgore, Henderson, Longview, Tyler and other east Texas cities have watched the investigation mount with growing interest. Some of those named in suits evolving from the investigation are civic, political and business leaders in east Texas.

Reaction in Kilgore to the investigation varies. One man said last week he resented the presence of 60 armed law-enforcement officers in Kilgore. Another said he feared the impact on the area's economy of the investigation's findings. Another said he hoped it would not ruin the area's reputation. Another said he would not believe the men already named in suits, some of whom he said have been his friends for years, were guilty until they were found so in a court of law.

The sheer size of the investigation, the number of leases, wells and operators involved and the heretofore uncharted legal path of the issues all mean it will be months, perhaps years, before the controversy ends.

ANNIVERSARY OF RECLAMATION ACT

Mr. ANDERSON. Mr. President, next Sunday, June 17, will mark one of the most significant anniversaries in the social and economic development of our country. I refer to the 60th birthday, so to speak, of the signing of the basic Federal Reclamation Act on June 17, 1902, by President Theodore Roosevelt.

This legislative enactment by the 57th Congress has had a most profound effect upon America and indeed upon the world. It has had a key role, as I shall show, in the development of the American West, which is one of the major factors in our national strength and greatness.

Its part in social and political development has been as far reaching as its economic impact. For the Reclamation Act of 1902, with its acreage limitation and its encouragement of family-size, family-run farms, was a land reform act before there was any need in the United States of such reform—when there still was plenty of land for anyone who cared to go out and live and work on it. The act speaks with the spirit of the American frontier—the old frontier as well as the New Frontier. Both in letter and in spirit, it has fostered courage, hard work, and thrift. It assures the man who has and uses these qualities the rewards thereof—full ownership of his land, the means of livelihood for himself and his family.

This is the goal of the land reforms President Kennedy has been fostering and encouraging in other countries of our New World hemisphere, and, as I pointed out, it was done in the American way before there was any need of land reform, as such, in the United States.

Physical and economic achievements under the reclamation law speak for themselves. This year, on its 60th anniversary, the Department of the Interior, which administers the reclamation law, can point proudly to the construction of dams and reservoirs providing dependable supplies for more than 8 million acres of fertile land producing a variety of high-demand crops valued at more than $1 billion annually; 42 powerplants with installed capacity of 5.2 million kilowatts—sufficient to serve the normal needs of about 7 million persons; municipal and industrial water supplies to 200 communities; and 25 million days per year of recreational use at reservoirs;

plus flood control, river regulation, and other continuing services.

The Bureau of Reclamation, which was created as the Reclamation Service in the 1902 Act, has often been recognized for its technical achievements over the past six decades. Two of its undertakings, Hoover Dam, on the Colorado River between Nevada and Arizona, and the Columbia basin project, which includes Grand Coulee Dam on the Columbia River in Washington State, were chosen by the American Society of Civil Engineers as two of the seven modern engineering wonders. More recently, recognition was extended to the Bureau's Glen Canyon Bridge, over the Colorado River near Glen Canyon Dam in Arizona, as the most beautiful steel-arch bridge of 1959, in competition sponsored by the American Institute of Steel Construction.

Among the Bureau's many major projects are the Central Valley project, California; Colorado-Big Thompson project, Colorado; Colorado River storage project, Arizona-New Mexico-Utah-Colorado-Wyoming; Columbia basin project, Washington; and the 10-State Missouri River basin project.

In addition, the Bureau's experience in reclamation is being made available on a worldwide basis through technical assistance programs of the U.S. Government.

Mr. President, in commemoration of its birthday, the Bureau of Reclamation has published a pamphlet entitled "Reclamation—60 Years of Service," outlining some of the history and concepts of its work, and I commend it to Members of the Senate. I think it is an extremely interesting and informative publication.

TRIBUTE TO WRUL AND METROMEDIA

Mr. LAUSCHE. Mr. President, it has come to my attention that a company having an influential radio voice in Cleveland, Ohio—namely, WHK—is also the owner of what the New York Herald Tribune calls "possibly the biggest audience of any radio station in the entire world." WRUL, or Worldwide Broadcasting, is a division of Metromedia, Inc.

For a number of years this powerful voice, with handsome new studios in New York City's World Broadcasting Center, and with transmitters in Scituate, Mass., was subsidized by the Federal Government up to $300,000 a year. Since its acquisition by Metromedia, WRUL has been entirely on its own—without that Government aid.

WRUL has been relying on itself and enterprising, internationally minded American companies. In other words, here is a prime example of free enterprise relieving Government of financial burden.

Many foreign governments are either wholly or partly owners of the country's broadcast facilities. This raises some doubts in the minds of world listeners about the impartiality of the reports heard. In other words, all Government radio facilities, even though they may or may not be operated on an impartial basis so far as news reporting is concerned, are suspect to a degree by listeners for the reason mentioned.

The FCC, recognizing WRUL's value, has been most cooperative in providing it with the necessary operating frequencies. WRUL broadcasts to Latin America 76 hours weekly; to Europe 50 hours weekly; and Africa 50 hours weekly. They perform this operation with 5 transmitters and 280,000 watts on 11 different frequencies.

An average of 2,000 listeners' letters a week, from two-thirds of the world, testify to the range of influence of this radio station. In addition, this station has invested $100,000 in research to show both the size and quality of its audience.

WRUL carried live the developments of the recent 16th General Assembly of the United Nations, in Spanish and English. It carried the Eichmann trials to the world; and dramatized the space shots and the election returns. It provides the stock market reports to Latin and South American investors.

Many of these broadcasts are made possible by farsighted American corporations who accept the responsibility of not only selling their wares, but also selling their belief in the free enterprise system. I refer to companies such as RCA, Pepsi-Cola, Merrill Lynch, Time, Life, American Machine & Foundry, American Motors, and Owens Corning Glass. Recently, 11 west coast savings and loan associations bought time to induce foreign investors to deposit savings in this country.

WRUL has lost money for a number of years, but gradually the picture is brightening as more companies are seeing their responsibilities in selling the system, as well as their products and services. They recognize, as we all must, that this is a necessary function of those firms who enjoy the benefit of a free society.

In addition to calling these facts to the attention of Senators, Mr. President, I would also like to compliment and congratulate WRUL and Metromedia for its enterprise and stewardship. A recent recognition of their achievement was the receipt of the George Foster Peabody Award for Promotion of International Understanding. This was the second significant honor gathered by this radio station in recent months, the previous one having been the Honor Medal of the Freedom Foundation of Valley Forge.

In conclusion, I ask unanimous consent to have the Peabody Award citation printed herewith.

I hope that by calling this activity to your attention, WRUL and Metromedia will rededicate their effort along the lines to which they are so obviously dedicated. I also hope to point out to American business that this is the true spirit of the admonition given by President Kennedy in his inaugural address. This is a good example of "what you can do for your country."

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

Be it known that the George Foster Peabody Broadcasting Award is hereby presented to WRUL (Worldwide Broadcasting) for an outstanding contribution to international understanding, 1961.

With this citation WRUL (Worldwide Broadcasting), a division of Metromedia, Inc., carried into the homes of millions of peoples around the world through the medium of radio the complete daily proceedings of the General Assembly and Security Council of the United Nations in English and Spanish, thereby extending their participation in this international organization's global efforts to build world peace. This unique radio coverage was made possible by the enlightened world consciousness of AMF International of the American Machine & Foundry Co. and its chairman, Mr. Morehead Patterson.

Upon recommendation of the Henry W. Grady School of Journalism, University of Georgia, and the Peabody Advisory Board, by authority of the regents of the University System of Georgia.

Chairman of Peabody Board.
JOHN E. DREWRY,
Dean of School of Journalism.

THE FLAG OF THE UNITED STATES OF AMERICA

Mr. DIRKSEN. Mr. President, 185 years ago today the then Congress met and prescribed the characteristics of a flag to have 13 alternate red and white stripes and 13 white stars on a field of blue. In consonance with the resolution, a committee was designated to call upon Betsy Ross to develop the kind of flag prescribed.

Interestingly enough, on that committee, among others, were George Washington and Robert Morris. They proceeded to Betsy Ross' house in Philadelphia. The house is still known as the Betsy Ross house, and it is located on Arch Street in that city.

In pursuance of the prescription by Congress, Betsy Ross provided the first flag.

Since that time I believe there have been 26 changes in the flag, to attest the growth and expansion of our country. Today that flag flies in all parts of the world as a symbol of unity, hope, loyalty, and freedom. If ever that unity is impaired, if ever that hope is destroyed, if that loyalty is ever sullied, or if that freedom is ever diluted, in my judgment it will not come by forces from without, but rather by forces from within. As we contemplate the fevers extant in the world, the economic threat from abroad, the struggle for power, pressures for advantage, and the strange indifference to the forces which menace our stability, our values and our capacity to live in a state of concord and understanding, truly we can say now, as Thomas Paine said in the Revolutionary War days:

These are times that try men's souls.

So then, as now, if reason prevails, and if patience marks our tempers, and if understanding colors our judgment, I am confident that in the pursuit of our course we will endure, and endure forever, as a free republic.

So today we salute the flag, a symbol of a great land.

The PRESIDING OFFICER. Is there any further morning business? If not, morning business is concluded.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

Mr. PASTORE. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

There being no objection, the Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MRS. EVA LONDON RITT

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the message from the House of Representatives announcing its amendment to S. 2143.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2143) for the relief of Mrs. Eva London Ritt, which was, to strike out all after the enacting clause and insert:

That, for the purposes of title III of the Immigration and Nationality Act, section 352(a)(2) of the said Act shall be deemed to have been and to be inapplicable in the case of Mrs. Eva London Ritt, a naturalized citizen of the United States: *Provided*, That the said Mrs. Eva London Ritt establishes residence in the United States, as defined in section 101(a)(33) of the Immigration and Nationality Act, prior to the expiration of thirty-six months following the date of the enactment of this Act.

Mr. DIRKSEN. Mr. President, on March 29, 1962, the Senate passed S. 2143, to grant the beneficiary an exemption from loss of her United States citizenship under the Immigration and Nationality Act.

On June 5, 1962, the House of Representatives passed S. 2143, with an amendment to grant such exemption with the proviso that she resume her residence in the United States within 3 years after the date of the enactment of the act.

I move that the Senate concur in the House amendment to S. 2143.

The motion was agreed to.

MARIA LA BELLA

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the message from the House of Representatives announcing its amendment to S. 1881.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1881) for the relief of Maria La Bella, which was, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Maria La Bella. From and after the date of the enactment of this act, the said Maria La Bella shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. DIRKSEN. On February 20, 1962, the Senate passed S. 1881, to grant the status of permanent residence in the United States to the beneficiary.

On June 5, 1962, the House of Representatives passed S. 1881, with an amendment to provide only for cancellation of deportation proceedings.

I move that the Senate concur in the House amendment to S. 1881.

The motion was agreed to.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Mr. PASTORE. Mr. President, the bill before the Senate is H.R. 8031, which is an act to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

The purpose of this legislation is to amend the Communications Act of 1934 so as to authorize the Federal Communications Commission to require that all television receivers shipped in interstate commerce or imported into the United States shall, at the time of manufacture, be capable of adequately receiving all television channels.

Essentially, the bill would amend the Communication Act in order to give the Federal Communications Commission certain regulatory authority to require that all television receivers shipped in interstate commerce or imported into the United States be equipped at the time of manufacture to receive all television channels. That is, the 70 UHF and 12 VHF channels.

One of the most valuable national resources which this country possesses is the radio spectrum. In carrying out its statutory mandate to provide the people of the United States with a truly nationwide and competitive broadcasting system, the FCC has allocated sufficient spectrum space to accommodate 2,225 television stations, which includes 1,544 UHF stations and 681 VHF stations. But, chiefly because of the nonavailability of television receivers which are capable of picking up UHF signals as well as VHF signals, the bulk of the UHF band is unused today, for at present there are only 103 UHF stations and 500 VHF stations in actual operation. This means that only 7 percent of the potential UHF assignments are in actual use, while the remaining 93 percent remains idle.

This legislation is designed to remedy this situation, for its basic purpose is to permit maximum efficient utilization of the broadcasting spectrum space, especially that portion of the spectrum assigned to UHF television. At the same time, this legislation will benefit the public interest in other substantial and important respects, for in addition to bringing new television service to underserved areas, it will promote the development and growth of educational television.

At present the FCC has reserved 279 television channels for educational purposes, of which only 62 are in use. Of the total reserved for educational purposes, 92 are VHF and 187 are UHF. Only through the establishment of additional educational television broadcasting facilities and the activation of noncommercial educational television broadcasting stations can the goal of creating an educational television system serving the needs of all the people in the United States be accomplished.

Recently the Congress enacted legislation—Public Law 87-477, 87th Congress, 2d session—that provides for grants-in-aid for the acquisition and installation of television transmission apparatus for certain educational television broadcasting stations.

During the consideration of this educational television legislation, it became evident, as a result of a nationwide study, that there was a maximum need for at least 97 VHF and 821 UHF channels which should be added to the presently reserved channels to meet the needs of education in the years ahead. This means, in short, that the minimum needs of education projected from a grassroots level from school to school throughout the country will require at least 1,197 television channels for over-the-air broadcasting, in addition to closed circuit systems which might be used.

Therefore, it becomes obvious that this legislation calling for the manufacture of all-channel television receivers ties in significantly with the recently passed educational television legislation. For even in areas where there is extensive commercial VHF service, the all-channel television receiver legislation would help create the type of circulation which will permit the development of the educational television broadcasting stations that use UHF channels.

This goal would be achieved by eliminating the basic problem which lies at the heart of the UHF-VHF dilemma—the relative scarcity of television receivers in the United States which are capable of receiving the signals of UHF stations. Of the approximately 55 million television receivers presently in the hands of the public, only 9 million—or about 16 percent—can receive UHF signals. This scarcity of all-channel receivers is further aggravated by the fact that the overwhelming bulk of television set production is limited to VHF sets only. Moreover, since 1953, the situation has become progressively worse. In that year, over 20 percent of television

receivers were equipped at the time of manufacture to receive UHF; by 1961, that percentage had declined to 6 percent.

The practical effect of this scarcity of all-channel receivers is clear: It prevents effective competition between UHF and VHF stations which operate in the same market, thus relegating UHF to those areas where no VHF stations are in competition. Where the two types of stations operate together, advertisers show a marked preference for placing their programs on VHF outlets, as do also networks, who will affiliate with a VHF station wherever possible. Nor has the viewing public shown any substantial willingness to buy receivers capable of receiving UHF signals, except in those areas where no VHF programs are available.

At the present time the country is divided into 278 so-called television markets: 127 of these markets have only 1 television station, 70 are 2-station markets, 57 are 3-station markets, and 24 are markets with 4 or more stations. Consequently, under the television market term, almost three-fourths of the television markets have a choice of one or two local stations. The significance of these figures illustrates that our present system of competition in the television field is limited by the allocations structure to no more than three national networks. Moreover, even in terms of the present 3 networks, 1 of them is under a limited handicap because of the second figure—70 markets are limited to 2 stations—and this leads to a situation that makes it difficult for a third network to secure primary affiliates in those markets. In addition, the opportunity for local outlets which would be available for local programing and local self-expression is severely restricted in many of the markets because of the limited number of stations that are available and even in those areas where there are some available, the stations are network affiliates.

The committee has fully considered the various arguments which have been advanced against this legislation. It has been argued that it would be a dangerous precedent which might lead to congressional control of all types of manufactured products. It must be remembered that this involves a unique situation which would not in any way constitute a general precedent for such congressional regulation of manufactured products. Thus we are here concerned with an instrumentality of interstate commerce. Television receivers are an essential factor in the use of the spectrum, and, as such, are clearly within the ambit of congressional legislation.

While initially there will be an increased cost, it is expected that this will be substantially reduced once the benefits of mass production are fully realized. In any event, the relatively slight increase in cost will be a small price to pay for the unlocking of the 70 valuable UHF channels.

As originally proposed the language of the legislation would have granted the Commission blanket authority to prescribed "minimum performance standards" for all television receivers shipped in interstate and foreign commerce. This provision was widely criticized during the hearings held by your committee and before the House Interstate and Foreign Commerce Committee on the ground that it was too broad and that it would give the FCC authority to prescribe any and all performance characteristics of television receivers. As an example, it was suggested that this broad authority would permit the Commission to adopt standards covering the manufacture of color television receivers. The Commission agreed that this authority was broader than was necessary. Consequently, the bill was amended to eliminate this broad approach.

The Federal Communications Commission in a letter dated May 11, 1962—appendix C in the committee report—expressed deep concern to your committee that the legislation as amended could be construed as being too limited and would make the Commission powerless to prohibit the shipment in interstate commerce of all-channel television sets having the barest capability of receiving signals which therefore could not permit satisfactory and usable reception of such signals in a great many instances.

According to the FCC it was not clear how far the Commission could proceed in promulgating rules regarding the performance characteristics sufficient to permit satisfactory and usable reception of each of the present 12 VHF and 70 UHF channels. Or to what extent, if any, enforceable rules could be promulgated concerning the performance capabilities for all-channel television sets that would assure the purchasers of these sets that they were in fact getting comparable signals from UHF and VHF stations.

In view of this doubt on the part of the Commission and its assertion that the bill as passed by the House might not accomplish the objective of the legislation; that is, to provide authority necessary to insure that all television sets be capable of effectively receiving all channels, the committee, therefore, adopted a simple amendment that should remove all doubt. I understand that the amendment has been adopted by the Senate. This amendment makes it crystal clear that the Federal Communications Commission has adequate authority to proscribe appropriate criteria and rules to achieve the objectives of this legislation. It should prove to be effective. It should meet the questions raised by the Federal Communications Commission and to do less would be to permit the whole thrust of this legislation to be thwarted.

I hope that without too much opposition the bill will become law.

Mr. CASE of New Jersey. Mr. President, both Senators from New York are vitally interested in the passage of H.R. 8031, the all-channel television receiver bill. In light of their interest, they have asked me to present their statements for the RECORD in support of this bill. I ask unanimous consent that their statements appear in the RECORD during the debate on H.R. 8031.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JAVITS

I support H.R. 8031 because in my judgment it will benefit the people of New York and the Nation in three very important respects.

First, H.R. 8031 will spur educational television. This is both necessary and desirable. By making sure that the public has television sets able to pick up UHF channels as well as VHF channels, H.R. 8031 goes hand in hand with recent congressional action providing for financial aid to educational television stations, most of which will be on UHF channels.

Second, H.R. 8031 will held develop more commercial television. It will assure the public UHF reception wherever entrepreneurs decide to put UHF stations on the air.

Third, H.R. 8031 will preclude the necessity of the shifting VHF stations to UHF, which has proved so unpopular and controversial in many parts of the country. It is my understanding that the FCC has stated that there will be a moratorium on Commission plans for shifting VHF stations to UHF and that this moratorium would last at least 5 to 7 years, and probably longer, until the effectiveness of all-channel set legislation has had a reasonable chance to prove itself. Thus H.R. 8031 will make sure that VHF television is not now taken away from millions of people. If H.R. 8031 is not enacted, many thousands of people in New York State are threatened with loss of television service because of existing FCC proposals to take VHF stations out of Binghamton, Hartford, Conn., and Erie, Pa.

Against these clear public benefits of H.R. 8031 I can see no substantial public disadvantage. No existing set would be made unusable. The extra cost of an all-channel set compared with a VHF-only set is estimated at $20 to $25 per set, which is not much when measured against the greatly expanded reception capability of these sets. Furthermore, it is reasonable to believe that when all-channel sets become universal, savings can be realized in mass production which will eliminate most or all of the presently anticipated extra cost.

I do not think H.R. 8031 is a dangerous precedent for Government intervention in private enterprise. The UHF–VHF question is unique. A decade of painful experience has made clear that all-channel set legislation is needed if the public is to have the benefit of an 82-channel TV system with its possibilities for expanded commercial and educational service. In any event, as amended and reported by the Senate Commerce Committee, H.R. 8031 would allow the FCC to establish standards for television sets only to the limited extent necessary to assure that all sets are capable of adequately receiving all television channels. The FCC would not be authorized to get into such questions as picture tube size or whether all sets should be equipped for color.

Finally, it is noteworthy that H.R. 8031 has widespread support: from the FCC, virtually all television stations, television networks, educators, at least three major set manufacturers, set dealers, and numerous farm and civic groups.

STATEMENT BY SENATOR KEATING

As a member of the Communications Subcommittee of the Senate Committee on Commerce, I voted in favor of reporting this bill to the Senate. I believe that it is the best available method by which we can provide a greater choice in programing to TV viewers and therby meet the demands of an even larger proportion of the general public.

I was pleased by the effective way in which all of the parties interested in this legisla-

tion have worked together to develop a concensus of opinion representing the interests of viewers, the TV industry, our committee, and the Federal Communications Commission. I should like to congratulate the chairman of the subcommittee, Senator PASTORE, for his leadership in the handling of this legislation in committee. I do not anticipate a close division of opinion on this bill; however, I regret that several urgent commitments in New York City prevent my being present to hear and participate in the floor debate.

NATIONAL DEFENSE AND FOREIGN POLICY

Mr. HARTKE. Mr. President, in the past few months there has been a great deal of discussion in the press, on the radio, on television and, in fact, on the floor of this legislative hall, about something called a no-win policy as being a part of the overall American foreign policy. It has even been alleged in certain quarters that the present administration has embraced a no-win policy, whatever that is supposed to mean. This discussion has concerned itself more with slogans than with facts; more with words than with action; and when I have finished this speech I hope, and it is my firm desire, to have Senators say that I have dealt with facts and not with mere slogans and words meaning little or nothing except to confuse and inflame emotions.

In entering a discussion of this nature, I am also reminded of a pertinent observation relating to the nature of democratic government and one that pertains particularly to the conduct of foreign policy and military policy in such a program, was made during the time of George Washington by that famous pessimist—turned optimist for the moment—Fisher Ames, of Massachusetts. He once remarked:

> A monarchy is like a merchant vessel. It sails the seas proudly. If it strikes a rock, it will sink. A republic, however, is like a raft. It will never sink in any sea—but your feet are always wet.

We in a democracy such as the United States always have our feet wet; and if we are to fulfill our international commitments, and deal with the insidious foreign policy practiced by the Kremlin masters, we will in ensuing years indeed have some rather wet and distressing times. Yes, I am sure that at certain intervals those who are responsible for high policy in this great Republic of ours, will be accused of having a no-win policy when we refuse to place this country on the brink of a precipice where some unintentional push could plunge us into a war from which all mankind and society would be reduced to a heaping pile of rubble.

Mr. President, let us consider what this administration has accomplished in the last 18 months and let us analyze some of the new policies that have been instituted to insure the defense of our country, and to prevent an all-engulfing nuclear holocaust.

The present administration has increased the defense budget by almost 25 percent—from $41.3 billion appropriated in fiscal year 1961 to $50.1 billion requested by President Kennedy for fiscal year 1963. Indeed, the 1963 budget request is more than $8 billion higher than the last defense budget requested by the Eisenhower administration for fiscal year 1962.

It is one thing to talk about winning, but it is quite another thing to provide the military forces required to assure our victory in combat. It has long been recognized that the advent of the nuclear-armed ballistic missile has confronted the Nation with a defense problem entirely new to its experience.

But the actions required to prepare the Nation to cope with the threat of a war engaging such weapons had not been taken in a timely fashion. Much too large a proportion of our strategic retaliatory forces were vulnerable to the kind of attack we would have to face in the future. Accordingly, one of the first actions taken by President Kennedy last year was to strengthen our strategic retaliatory forces by moving more rapidly into these weapons systems which have the best chances of riding out any kind of nuclear surprise attack. Because bombers on the ground are soft targets and highly vulnerable to ICBM attack, orders were given to increase by 50 percent the portion of the manned bomber force to be maintained on ground alert so that they can get off the ground within the 15-minute warning time provided by our ballistic missile early warning system. This action alone has significantly increased our power to retaliate against even a surprise nuclear attack.

Prompt action was also taken to expand and accelerate the programs for other weapon systems which have a high degree of survivability against ICBM attack The number of Polaris submarines was increased by 50 percent, from 19 to 29, and the construction schedule accelerated so that the 29th submarine would become available about 2 years earlier than would otherwise have been possible. Six more Polaris submarines are proposed for the coming fiscal year and 6 more for the year thereafter, bringing the total to 41 submarines with 656 Polaris missiles distributed upon the seas of the world. Mr. President, not only is this a very large and potent force, but these submarines can fire their missiles from beneath the surface of the oceans of the world; they are invulnerable to surprise attack by intercontinental ballistic missiles.

The number of land-based Minuteman missiles to be deployed in hardened and dispersed sites was also significantly increased, and the production capacity for these missiles was doubled. Another 200 operational missiles are included in the fiscal year 1963 budget, raising the total to 800, with more to come in future years. I submit a question: Are these the actions of a Government that has a no-win policy? There is more to this picture:

To prolong the useful life of our B–52 bomber force, the development effort on the new Skybolt air-to-ground missile program was substantially increased and accelerated. Additional funds for this missile are included in the 1963 budget. Each B–52 bomber can carry four of these solid fuel ballistic missiles in place of two air-breathing Hound Dog air-to-ground missiles. I point out that the fiscal year 1962 Eisenhower budget did not include any funds for the Skybolt missile, and its future was left in doubt.

Because our opponent may in time develop some kind of defense against a ballistic missile attack, the Kennedy administration has greatly expanded the program to provide penetration aids for our ballistic missiles. These devices will ensure that our missiles can penetrate to their targets against any foreseeable kind of defense.

Finally, the new administration undertook an accelerated program to develop an effective, protected command and control system so that at all times, before, during, and after an enemy attack, the constituted authorities, from the President on down, will have full command of our military forces.

Now I shall sum up our strategic retaliatory power.

The programs proposed by the present administration and reflected in the fiscal year 1963 budget will provide a force of over 1,000 Atlas, Titan, and Minuteman ICBM's, plus 41 Polaris submarines with over 650 missiles, plus more than 700 B–52 and B–58 manned bombers. By 1966–67 the alert portion of this force alone, that is the portion of the total force which can be launched with only 15 minutes warning, will have three times the destructive power of the alert force we had a year ago.

All these measures are required if the Nation is to be in a position to retaliate decisively against a nuclear attack upon the homeland and all of these measures will increase defense cost. In fact, the 1963 budget contains about $1½ billion more for the strategic retaliatory forces than did the last Eisenhower budget for fiscal year 1962. To insure the supremacy of our strategic retaliatory forces in the future, the Kennedy administration has requested funds to start preliminary work on new land-based and sea-based missiles. In addition, work will be continued on the development of the B–70, long-range supersonic bomber. The future of this aircraft is now being restudied in the Pentagon. Secretary McNamara has already indicated that work will be pressed forward on the reconnaissance elements of the newly proposed reconnaissance-strike version of this aircraft, the RS–70. This reconnaissance subsystem, we are told, is the pacing item of the RS–70.

Under the present plan, the B–70 program has been increased to 3 prototypes instead of 2, thus permitting a more complete development and evaluation of the airplane.

In addition to increasing and strengthening our strategic retaliatory forces, the new administration faced up squarely to the problem of air defense in the ballistic missile age.

President Kennedy, therefore, immediately proposed a further dispersal of the air defense interceptor forces and the creation of a manual backup for the automatic SAGE system which, because it is soft and relatively concentrated, is perhaps the most vulnerable element of the entire air defense complex. These manual control facilities will provide an

alternative means of controlling our air defense weapons in the event all or most of the SAGE centers are destroyed.

The administration has also proposed additional procurement of Nike-Hercules and associated equipment. Together with the Missile Master acquisition, tracking and control system, the Nike-Hercules missile constitutes a relatively self-contained air defense system.

The administration is also continuing development of a system of orbiting satellites to augment the Ballistic Missile Early Warning System which already is partially operational. In addition, work has been started to improve the bomb alarm system, so that it can provide timely information for damage assessment and the evaluation of the fallout pattern.

Like the former administration, the present administration has decided against production and deployment at this time of the Nike-Zeus missile defense system. However, development, test, and evaluation of this system provide a significant amount of additional data on the many problems of ballistic missile defense. Meanwhile, the administration is exploring other approaches to the problem of ballistic missile defense, the details of which are, of course, classified.

The threat of submarine-launched missiles has also received greatly increased attention. The best defense against this threat still lies in the detection and destruction of the launching submarine before the missile is fired, and for this purpose the administration has nearly doubled the available funds. The 1963 appropriation request includes $2,206 million for antisubmarine warfare, compared to $1,253 million appropriated in 1961. For example, eight nuclear attack submarines are included in the 1963 budget, compared with three in 1962, and only one in 1961. The procurement of ASW aircraft has been nearly doubled from 1961 to 1963, and the research and development effort has been expanded, to insure that all practical approaches to the problem are carefully explored.

Finally, an important innovation has been made to strengthen the Navy's management of the ASW program. The position of Director of Antisubmarine Research and Development has been established, to serve as the focal point of the entire ASW effort. This step will insure that a more comprehensive approach is taken to the ASW problem, as well as to improving overall management.

One of the most significant actions taken by this administration was to make the first real start on a meaningful civil defense program. Certainly if this Nation is to stand fast in defending its vital interests, even to the point of nuclear war, it must make a reasonable effort to provide its citizens with protection at least against the extensive fallout which would result from a nuclear attack on this country. The goal of this expanded program is to provide, by 1967, a shelter space for every American.

The task of locating and stocking existing space which is suitable for fallout shelters is already well underway, using the $256 million requested by the administration and appropriated by the Congress last year. The administration has requested a total of $695 million for the program in the next fiscal year, compared with the few tens of millions of dollars requested and appropriated in past years.

Not only has the present administration greatly strengthened the Nation's posture for general war; it has also greatly strengthened our posture for limited war, the type of armed conflict which is much more likely to occur over the next decade. The Berlin crisis last year, together with Communist covert aggression in southeast Asia, provided convincing evidence, if more evidence was needed, that, in total, our combat-ready limited-war forces were sadly inadequate to the task of coping with the many threats confronting us around the world. Furthermore, the lack of adequate combat-ready, nonnuclear forces in Europe, including both United States and allied forces, severely limited the character and scope of our possible response to the Soviet aggression there.

Mr. President, we must constantly realine and reorganize our military forces, to counter the aggressive forces that confront us in today's world. Yes, military doctrine and strategy must be under constant review and change; this year, this was one of the first great overall military problems tackled by President Kennedy and Secretary McNamara. The administration fully recognized, as Secretary of Defense McNamara repeatedly pointed out to the congressional committees, that tactical nuclear weapons might have to be used, not only in Europe, but elsewhere. And this was emphasized by President Kennedy, who said in a statement to Saturday Evening Post Writer Stewart Alsop:

> Of course in some circumstances we must be prepared to use the nuclear weapon at the start, come what may—a clear attack on Western Europe, for example.

But the administration was particularly concerned that the decision to employ such weapons in limited war situations should not be forced upon us simply because we have no other alternative. Thus, what the administration has proposed is not a reversal of the previously existing policy, but, rather an augmentation of our nonnuclear capabilities, so as to provide to our limited-war forces a greater flexibility of response. Clearly, our position throughout the world would be greatly strengthened if, when confronted with deliberate Communist provocation, we were not forced to choose between doing nothing or deliberately initiating nuclear war.

Accordingly, last year the administration undertook a major strengthening of our limited-war forces. By a series of actions, the number of combat-ready divisions in the Army was increased by 50 percent—from 11 to 16. And in order that we shall continue to have this increased capability, the two Army National Guard divisions which were called to active duty last year are now being replaced by two new regular Army divisions. The active duty strength of the Army has been greatly increased, and will be held to 960,000 men, compared with 860,000 last June.

The strength of the Marine Corps was raised by 15,000 men—from 175,000 to 190,000; the nucleus of a fourth Marine division was created within the active establishment; and the amphibious lift was expanded from less than 1½ divisions to a full 2 divisions. The number of active ships, aircraft, and personnel in the Navy were increased. The ship construction and conversion program recommended by the administration for the fiscal years 1962 and 1963 will be about double that for the 2 previous fiscal years.

The tactical fighter forces of the Air Force were expanded by almost one-third, to provide more air support for the Army ground forces. The number of aircraft to be provided for these forces in 1963 and 1962 is more than double that of the 2 previous years. The airlift program was increased by 50 percent, to provide the means to move the limited-war forces promptly to wherever they might be needed. The number of airlift aircraft to be procured during this fiscal year and the next will be more than 150 percent higher than that for the fiscal years 1961 and 1962. In fact, the program proposed by the present administration will increase our airlift capacity threefold by 1965.

To insure that our limited-war forces are properly equipped and supplied, the procurement of weapons, equipment, and ammunition for these forces has been vastly increased. For example, in 1963 the Army will double its 1961 procurement of small arms and tactical and support vehicles, and will increase its purchases of combat vehicles by about 75 percent. The number of Army aircraft in the 1962 and 1963 programs is more than twice that of the 2 preceding years.

In the Navy, the procurement of fighter and attack aircraft during the current and the coming fiscal years will average more than one-third higher than that of the 1960–61 level. The procurement of missiles such as the Sparrow III, Terrier, and Bullpup for the Navy in 1963 will be more than double that of the 1961 level. Similarly, the procurement funds for the Marine Corps in 1962–63 have been increased by nearly 150 percent over those for 1960–61.

In the Air Force, the procurement of nonnuclear munitions in 1962 and 1963 is more than five times that of the 1961 level. And to insure that all of the general-purpose forces will continue to have the kinds of weapons and equipment needed in order to deter limited aggression in the future, the research and development effort in the limited-warfare area was significantly expanded.

Finally, to deal more adequately with what Mr. Khrushchev calls "wars of national liberation," which we know as subversion and armed aggression, our counterinsurgency forces have been more than doubled. But, even more important, counterinsurgency training has now become general throughout our limited-war forces. Such training is given to personnel at all levels—senior

officers, as well as new recruits; to Navy and Air Force personnel as well as Army, and to the Reserves as well as the Regular Forces. And to provide new, specially designed equipment for the forces preparing for the counterinsurgency mission, a large research and development program has been initiated.

This effort to improve counterinsurgency capabilities is not limited solely to our own forces. U.S. training teams have been sent to various parts of the world to help other free nations improve their own capabilities to deal with Communist-inspired and supported insurrection and covert aggression. Our determination to help the nations of southeast Asia maintain their freedom and sovereignty has been fully manifested by the extensive help now being given to the Government of South Vietnam and by the deployment of U.S. forces in Thailand. In contrast to the situation which prevailed in that area in 1955, the United States has now made it clear that it is determined to halt Communist aggression in southeast Asia.

A year ago last January, Mr. Khrushchev laid before the Moscow Conference of Communist Parties a strategy for the 1960's. He said:

> In present day conditions it is necessary to distinguish the following kinds of war: world wars, local wars, and wars of liberation and popular uprising. This is necessary in order to work out correct tactics with regard to these wars. Communists are the most resolute opponents of world wars.

Such wars, Mr. Khrushchev pointed out, would wreak death and destruction upon all mankind. And he concluded that world wars are not needed for the victory of communism. Mr. Khrushchev is also opposed to what he calls local wars, because such wars "might develop into a world thermonuclear rocket war." But there is one kind of war which Mr. Khrushchev favors, and that is the guerrilla war or war of insurrection.

The United States and the free world must not only be prepared to fight and win a thermonuclear war but must also be prepared to win local wars and wars of insurrection. Indeed, the more successful we are in deterring general war, the greater becomes the likelihood of wars of lesser scope.

Until we have found a sure road to a safeguarded disarmament, our best hope—and in fact a very good hope—of avoiding thermonuclear war is to keep our own strategic deterrent strong and secure. And this is a basic tenet of our military policy. We have today, and will continue to have under the programs proposed by this administration, the undisputed capability to strike back with decisive force at any nation which might decide to attack us, even after absorbing the full weight of an all-out surprise nuclear attack. This, I believe, is the real reason why Mr. Khrushchev says that Communists oppose thermonuclear wars.

Similarly, our best hope of avoiding the more limited types of open conflict is to maintain forces of the size and kinds necessary to make such wars unprofitable to the Communists. And this, too, is a basic tenet of this administration's military policy.

Finally, the United States and the free world must develop the capabilities to win Mr. Khrushchev's third kind of war, the wars of insurrection and covert armed aggression, and it is in this area that the administration has undertaken another major expansion.

But all of these measures are still not enough; our struggle against communism cannot be limited solely to military action. The Communist threat extends to every facet of human endeavor—economic, political, technical, and so forth—and the free world must learn how to defeat these other forms of the Communist challenge.

There is every reason to believe that we will win the economic struggle. We have only to observe what is now taking place behind the Iron Curtain, in the Soviet Union as well as in Communist China, to appreciate the vast superiority of our own economic system over that of communism. Even now, without fully using our enormous productive capacity, we have no difficulty in far out-producing the Soviet Union. And while famine rages in Communist China and food shortages plague the Soviet Union, the United States year after year produces all the food that our people desire, with more than enough left over to feed a significant part of the rest of the world.

And there is every reason to feel confident that we will eventually win the struggle for the minds and hearts of men. Freedom has always had an irresistible attraction for people everywhere in the world. The desire to be free cannot long be suppressed. From Murmansk to Hong Kong the Communist bloc has walled itself in to prevent the people from fleeing to freedom. The Communists are plainly afraid of the ideals of freedom and justice.

But meanwhile we must learn to live with the dangers of the thermonuclear age and with the prolonged tensions of the cold war struggle. There are no shortcuts to victory. Victory will come only with patience and resolution—backed by strength. What we seek to win in this historic struggle against communism is not a world reduced to radioactive rubble, but rather a world in which law and order prevail and in which all peoples are able to determine their own destiny. That is the kind of victory which will benefit all mankind. And that is the kind of victory America has always wanted to win.

ISSUANCE OF PROCLAMATION WITH RESPECT TO NATIONAL WHEAT ACREAGE ALLOTMENT

The PRESIDING OFFICER (Mr. BURDICK in the chair) laid before the Senate the amendments of the House of Representatives to the joint resolution (S.J. Res. 198) deferring until August 25, 1962, the issuance of a proclamation with respect to a national wheat acreage allotment, which were, to strike out all after "of" in line 9, down through line 11, inclusive, and insert "wheat," and to amend the title so as to read: "Joint resolution deferring until July 15, 1962, the issuance of a proclamation with respect to a national wheat acreage allotment."

Mr. ELLENDER. Mr. President, the House yesterday passed Senate Joint Resolution 198 with an amendment striking out the provision for extending the wheat quota referendum to as late as August 25. As amended, the joint resolution provides only for deferring the proclamation of the 1963 wheat marketing quota and national acreage allotment as late as July 15. The Department would like to have the House amendment agreed to so that the resolution can become effective immediately. Otherwise, quotas would have to be proclaimed tomorrow.

I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

U.S. LABOR AND THE U.N.

Mr. HUMPHREY. Mr. President, the AFL–CIO is justly celebrated for its enlightened attitude toward the human problems of U.S. foreign relations. The American merged labor movement has worked for years within the International Labor Organization and has played an outstanding role in the International Confederation of Free Trade Unions. Its horizon is anything but limited by the domestic problems of unemployment, automation, and wages.

In this spirit of worldwide awareness and human brotherhood, the AFL–CIO executive council and the New York Labor Council have, with little fanfare, established and maintained a new AFL–CIO Committee for the United Nations, Inc. This committee has functioned as a center where members of the labor movement and friends of labor the world over could meet and could participate in a variety of social, cultural, and intellectual activities. In so doing, the AFL–CIO has performed a genuine service for the United States.

Mr. President, I ask unanimous consent to place in the RECORD an account of this undertaking of the American labor movement, as reported by Ed Townsend in the Christian Science Monitor of June 9, 1962.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 9, 1962]

PEOPLE AT WORK—LABOR, THE U.N., AND HOSPITALITY

(By Ed Townsend)

NEW YORK.—Some time ago, an American labor official met, by chance, an African delegate to the United Nations while passing through a New York hotel lobby. They had become acquainted years before at an international labor conference abroad.

The two men chatted in French, and the American union official was disturbed to learn that his acquaintance—a man with a deep interest and long experience in labor—was finding life duller and less fruitful than it should be in this country. He was handicapped because he could speak only his native tongue, French. He had few friends outside his own delegation and U.N. official circles. He was anxious to get to know Americans but he had been able to meet and mingle with very few of them.

Instead, he said, he was spending his free time sitting in the hotel lobby, watching passers-by, or in movie houses in the hotel

area. He shrugged when he told this, commenting that it was a pleasant way of life, perhaps, but no way to get to know a people.

An idea was born in the chance meeting. The union official saw a gap that labor could fill, and an opportunity to perform a service. Other unionists agreed. So did the AFL–CIO president, George Meany, a former United States delegate to the U.N., and Harry Van Arsdale, president of New York City's Central Labor Council.

The AFL–CIO executive council and the New York labor council agreed to sponsor a new AFL–CIO Committee for the United Nations, Inc., to set up and operate a hospitality center for U.N. delegates. The center opened this spring around the corner from the U.N.'s home on New York's East River, with windows opening on the inspiring tower and buildings of the world organization

President Kennedy greeted it with a send-off message commending "labor's mature view of our responsibilities in a shrinking world." U Thant, Acting Secretary-General of the U.N., added his praise, commenting, "You help to achieve a fundamental purpose of the United Nations, greater understanding and personal contact among peoples of all countries and all walks of life."

There were other official words of praise, all welcomed, but more important to the committee was the response to the center by U.N. delegates and New York unionists. At the opening, doubts of the response had caused nagging worries. Would delegates really come to the center to seek access to the American way of life through unions and the men and women in them? Would they welcome opportunities to attend union affairs? And would they be welcomed there?

The worries proved unnecessary. The delegates are making use of the center, particularly those from younger, undeveloped nations who sometimes need special help in adjusting to New York. They do welcome the informality of union affairs—meetings, dances, lunches, dinners, rallies, and the like. And they are being welcomed everywhere.

Just a few days ago, the African delegate of the chance hotel lobby meeting attended and "very much enjoyed," he said, a dinner given by an office employees' union in New York for its office stewards, those who carry on the union's day-to-day business in offices. The U.N. delegate attended the dinner in the company of a group of French-speaking office unionists employed by the French Line.

That was only one of the union functions he has attended or been invited to attend in recent weeks. New York's big and busy labor movement has something going all the time, occasionally an entertainment or social affair, a theater party, dinner, or rally drafting Broadway stars, but usually something less glamorous and more in line with American everyday living. Actually, the center is more interested in referring delegates, with introductions and, if necessary, escorts, to the more routine gatherings that give a better insight on American life.

Its aims are:

To afford trade unionists connected with the U.N. an opportunity to meet and exchange views with unionists in this country—local members and officials and, at times, visiting labor executives such as Mr. Meany and internationally known Walter P. Reuther, president of the United Automobile Workers. If Mr. Reuther is to speak at a meeting, there is always a demand for admission cards.

To demonstrate the dynamic role of unions in New York and the United States, many U.N. delegates were union guests of a dedication of a labor housing development.

To open to them more social, cultural, and intellectual opportunities.

To help them see American workers—"the real New York and United States," a center spokesman said—at home, in union and political life, and in plants and offices.

The hospitality center has, in fact, been described as a sort of lonely hearts club and servicemen's club combined.

Its staff tries to match personalities and interests. With a million union members in New York's AFL–CIO affiliates, the committee says it can provide almost any language, trade, or special interest. There is something for everyone.

It does not attempt to adhere to diplomatic protocol. It stresses informality—"a real trade union welcome," a spokesman said. Formality, the committee has found, is something most delegates want to escape from, an artificial barrier from the people of this country. In line with that, the center emphasizes contacts with union rank-and-file members as much as with officers.

It has a warm feeling of accomplishment whenever it is told—and it frequently is—that a delegate has been made to feel at home and that he has seen a side of American life he would not have had a chance to see otherwise.

FOOD FOR PEACE CONFERENCE

Mr. HUMPHREY. Mr. President, on June 9, 1962, the American Food for Peace Council sponsored a regional meeting on the food-for-peace program at the University of Minnesota.

The meeting was well attended. Participants came from several of the Midwestern States. The program was extensive in its scope and intensive in its discussion.

Minnesota was particularly honored by the presence of the Administrator of the Agency for International Development, Mr. Fowler Hamilton, and the special assistant to the President and Director of the food-for-peace program, Mr. George McGovern. We also were privileged to have with us the national chairman of the American Food for Peace Council, Mr. Paul S. Willis.

I wish to pay tribute to one of the great leaders of the Kennedy administration, a dedicated administrator who has given a new dimension to America's foreign aid program. I speak of George McGovern, Director of the food-for-peace program, who will be leaving Washington soon to seek his political fortune in South Dakota. As I watched and listened to George McGovern at this recent conference, I realized evermore what a great contribution he has made to the development of the food-for-peace program and to the improvement and strengthening of our foreign policy.

We shall miss George McGovern, not only as a friend and neighbor, but, more important, as a true humanitarian who has transformed his belief in mankind into a whole series of positive accomplishments that have given new luster and meaning to the words, "food for peace."

Seventeen months ago, when Mr. McGovern was appointed Food for Peace Director, the President said:

> America's agricultural abundance offers a great opportunity for the United States to promote the interests of peace in a significant way. * * * We must make the most vigorous and constructive use possible of this opportunity.

Yes, the food-for-peace program has been greatly accelerated under the direction of George McGovern. The food-for-peace program requires a director with broad interagency responsibilities who reports directly to the President.

I know that the President is fully aware of the importance of this, and I am confident that he will soon name a highly qualified successor to Mr. McGovern, an able administrator who can furnish the affirmative leadership that is so essential if our food-for-peace efforts are to succeed.

I ask unanimous consent that excerpts from my address to the food-for-peace conference be printed at this point in the RECORD. I also ask unanimous consent that the program be printed in the RECORD.

There being no objection, the excerpts and program were ordered to be printed in the RECORD, as follows:

EXCERPTS OF REMARKS BY SENATOR HUBERT H. HUMPHREY, AT THE FOOD-FOR-PEACE CONFERENCE, MINNEAPOLIS, MINN., JUNE 9, 1962

Seventeen months ago, when Mr. George McGovern was appointed Food for Peace Director, the President said, "America's agricultural abundance offers a great opportunity for the United States to promote the interests of peace in a significant way. We must make the most vigorous and constructive use possible of this opportunity."

Just how has President Kennedy's Executive order been implemented? What has happened to food for peace?

Probably the best answer would come from a Moroccan laborer who owes his very job to food for peace, a schoolboy in Peru who is getting a nourishing meal each day for the first time in his life, or a family of Chinese refugees in Hong Kong who are finding that people do care.

In statistical terms, 45 billion pounds of U.S. commodities were programed for oversea shipment under food-for-peace authority during the 1961 calendar year. This is an alltime record in utilizing our abundance in a coordinated attack on hunger and poverty throughout the world.

Here are only a few of the many other accomplishments of food for peace:

1. The negative concept of "surplus disposal" has been replaced by a positive view of U.S. agricultural abundance as a precious national resource. This change in concept is fundamental to the success of the program. It has given rural America an appreciable stake in American foreign policy. It has resulted in much greater appreciation for U.S. food aid both at home and abroad. Critical food shortages in Asia, Africa, Latin America, and the Sino-Soviet bloc highlight the enormous food assets of the United States. Food is our most valuable material resource, and our clearest advantage in any competition with the Communist world.

2. The Departments of State, and Agriculture, and the Agency for International Development have demonstrated a growing awareness of the importance of food in foreign assistance. Officials in State and AID in cooperation with the Department of Agriculture are taking steps toward a much-improved integration of food with other oversea development resources.

Although progress is being made, there is a need for more consideration by U.S. loan agencies and foreign assistance planners of the possibilities of using food to supplement dollar aid. No U.S. official should give final clearance to a foreign loan until he is convinced that the possibility of using food as a substitute or supplement for aid dollars has been fully evaluated.

3. Food as an instrument of economic development has been sharply increased. Two countries, Tunisia and Afghanistan,

were using U.S.-donated food for the partial payment of wages on public works projects at the beginning of the Kennedy administration. Eleven countries have such programs today, and negotiations are underway with 25 others.

4. Important new school-lunch programs were established in a number of countries in 1961. Ambassador James Loeb of Peru advises that the first Latin American government-to-government school-lunch program, which George McGovern signed with Prime Minister Pedro Beltran a year ago, has had a remarkably good impact. Aside from noticeable nutritional improvements, school attendance has increased by 40 percent. So successful has this program been that it was recently enlarged to feed more than 175,000 Peruvian children during the current school year.

5. Six nations have signed agreements to purchase food for long-term loans with repayment in dollars. These agreements are the first of this kind.

6. In 1960, 54 million persons were fed with U.S. foodstuffs donated to private voluntary agencies. That number was increased by 10 million in 1961, and further increases are in the making. Voluntary agencies established feeding programs in eight additional countries last year.

7. Food for peace moved swiftly to meet famine, flood, and other disaster conditions in the Congo, Vietnam, Kenya, North Africa, and other areas in 1961. Steps have been taken to broaden and add flexibility to our refugee feeding programs.

8. An American Food-for-Peace Council, representing a broad cross-section of the public, has been organized to develop public understanding and support for the program.

9. A U.S. Freedom From Hungar Foundation has been established to support the U.N. Food and Agriculture Organization's 5-year campaign against hunger. Former President Truman was named by the President as honorary chairman.

10. As delegate to the FAO meeting in Rome in April 1961, George McGovern suggested, with the President's approval, that the United States would contribute $40 million in surplus commodities toward an overall U.N. food bank of $100 million in food and cash. That proposal has since been approved by the FAO Conference and the United Nations and is being implemented within the U.N. system.

11. An interagency committee has been established to evaluate new food processes that will increase the effective use of our foodstuffs abroad.

12. The Food for Peace Director has proposed that the Alliance for Progress can be assisted by a formula under which the United States would provide feed grains to Latin American poultry-raising cooperatives. Part of the poultry proceeds could be used to finance social and economic projects. This is another way in which cereal surpluses can be converted to high-protein foods.

These are just a few of the positive accomplishments of the food-for-peace program during the past 17 months. The program has proved to be the most ambitious and imaginative effort in world history to construct a bridge between the abundance of the United States and the undernourished half of the world that cries for food.

It helps the United States find constructive outlets for our surplus food production; it reduces our storage costs; it stimulates our shipping industry and our ports; it bolsters farm income; it develops future dollar markets overseas; it raises purchasing power of other countries, and it strengthens U.S. foreign policy objectives.

On the other side, sharing our food abundance reduces human misery, sickness, and premature death. It gives men the strength to work, students the energy to study, and brings nourishment and hope to millions. In supplementing the resources and the energy of food-deficient countries, the food-for-peace program has become a powerful ingredient in economic and social development throughout the world.

I know that President Kennedy and the American people stand ready to share our resources, so that every child can have food in his stomach, strength in his arms, hope in his heart, and light in his eyes.

For transforming this into deeds, we owe a debt of gratitude to the food-for-peace program, and to its imaginative Director, George McGovern.

What does the future hold for food for peace?

Today, U.S. food-for-peace-assisted school lunch programs are reaching 30 million children in 80 countries of the world. But there are 700 million children around the world who need such a program. Is food for peace equal to that challenge? Will the local governments do their part in establishing a school lunch for every needy child? I hope that some day in the not too distant future we can answer in the affirmative both of those questions.

The food-for-peace program faces other challenges. They are continuing challenges. They are immense challenges.

The three basic challenges to our generation—and perhaps to many generations to come—are represented by three tragic statistics of human need reported to me by the Library of Congress.

First, 83 percent of the world's people are underfed.

Second, 70 percent of the world's people are either sick or ill housed.

Third, 62 percent of the world's people are illiterate.

Is it any wonder that this earth is torn by conflict and scarred by repeated violence?

These conditions of hunger, misery, and ignorance are more than disgraceful reminders that mankind has lacked the wisdom to put his technical know-how to work to banish poverty and misery.

These conditions nourish the needs of discontent, revolution, and violence.

These conditions are the allies of communism and other forms of totalitarianism.

These conditions are the real and the basic enemies of freedom, of peace, of justice.

We in the United States must learn to face these challenges squarely. We need to understand fully and deeply the meaning of the hunger, poverty, and ignorance which stalks two-thirds of the world.

Our response to these conditions of misery must be more than a fleeting or momentary sense of compassion and sadness for the rest of the world.

We must place our understanding of these conditions into the context of the present world struggle and our own struggle for the security and survival of freedom.

We must realize the practical and political effect of hunger, sickness, and ignorance.

The hunger of any man weakens to some degree the chances of freedom for all men.

The sickness or poverty of any human being strengthens the forces of communism.

The ignorance or illiteracy of any citizen of this world cuts into the prospects for peace and contributes to the ingredients for war.

We in this Nation must realize that we are not threatened merely by the ambitious, aggressive personalities of particular leaders in specific nations.

We must realize that the dangers we face are not limited to guns or bombs.

We must realize that this struggle in which we are engaged is deeply meshed with the struggle of all mankind to lift itself out of the chains of poverty and ignorance.

Let me pause for a moment to comment on those who whine that this Nation is being led by a no-win policy.

They wave the banner of victory. I am not critical of that.

But they demand victory now. Or—in their most patient mood—they demand victory by next Tuesday.

I suggest that those who rave about a no-win policy are really guided by a know-nothing approach to today's international struggle.

They would win now, or tomorrow or at the latest next Tuesday with guns and bombs.

And, of course, they would win ultimately nothing but death and desolation and at best a reversal to the Dark Ages.

More and more Americans, fortunately, are coming to realize that the security of the United States and of freedom is not linked merely to military strength.

The people of this Nation realize that this struggle demands military strength, yes—but also economic and technical strength—and the use of them throughout the world.

And there is yet another dimension to our strength which is unique, and which gives us a distinct and powerful advantage in the struggle with totalitarianism.

This fourth strength is our agricultural abundance.

No other nation in the world has the strength and the power of an agricultural abundance to the degree we enjoy, and almost all nations are gripped by tight food shortages and agricultural failures. I need not remind you that the Soviet Union, most of its satellites and Red China are hindered and checked in their aggressive aims by shortages of food.

I can remember the days in the late 1940's when this Nation was confident, proud—and even a bit smug—because we had a monopoly of atomic weapons. We lost that monopoly quickly, and with that loss a bit of our confidence too.

Today, we have a comparable advantage—a superabundance of food and fiber. I would hope that more Americans will realize the power of this advantage, and will gain renewed confidence from it.

Clearly, we must use our agricultural abundance to feed and to lift those millions throughout the world who are chained to hunger and poverty.

We have begun.

Food for peace is no longer a dream. It is no longer a goal. It is no longer a slogan in American political campaigns.

Food for peace is a practical, vital, effective instrument of the foreign policy of the United States, and a compassionate arm of the people of the United States.

Victory will be ours. We will win this struggle for freedom and progress—not today, not tomorrow, not next Tuesday. We will win it with an effort which will take many years and perhaps even several generations.

The victory we seek is a victory over the basic conditions of misery which have chained men through all of recorded history.

With a growing food-for-peace program—fully utilizing the agricultural abundance given to us by God and cultivated by the skills of our people—we cannot and will not fail.

FOOD FOR PEACE, UNIVERSITY OF MINNESOTA, JUNE 9, 1962

PROGRAM

Host: Hon. Elmer L. Andersen, Governor of Minnesota.

Guest: Hon. George McGovern, Special Assistant to the President and Director, Food for Peace, the White House.

Chairman: Mr. Paul S. Willis, chairman, American Food-for-Peace Council, and president, Grocery Manufacturers of America, Inc.

Conference coordinators: Mr. Earl W. Madsen, president, Madsen's Super Valu Stores; Mr. Burton M. Joseph, president, I. S. Joseph Co., Inc.

8:15 a.m.: Registration; Coffman Memorial Union.

Morning session, Mayo Memorial Auditorium, University of Minnesota

9:15 a.m.: Invocation, Rabbi Max Shapiro, Temple Israel; Flag slaute, Maj. James G. Sieben, Minnesota National Guard; President John F. Kennedy, special recorded message to the Midwest Conference of the American Food-for-Peace Council; welcome, Hon. Arthur Naftalin, mayor of Minneapolis.

9:45 a.m.: Address, Hon. George McGovern, "Agricultural Abundance: Instrument for Peace."

10:15 a.m.: Panel discussion, "Food for Peace as an Instrument of Foreign Aid"; moderator, Prof. Sherwood Berg, head, Agricultural Economics Department, University of Minnesota; panelists, Prof. Raymond Penn, Agricultural Economics Department, University of Wisconsin; Mr. Louis Brewster, manager, operations control, specialty products division, General Mills, Inc.; Mr. Herschel D. Newsom, master, the National Grange; Mr. Aled P. Davies, vice president, American Meat Institute; Hon. JOSEPH E. KARTH, U.S. House of Representatives; Hon. CLARK MACGREGOR, U.S. House of Representatives.

11:15 a.m.: Group discussion period, moderator and panelists.

12:15 p.m.: Adjournment of morning session.

12:30–2:00 p.m.: Luncheon, Coffman Memorial Union, main ballroom.

LUNCHEON PROGRAM

Chairman: Mr. Paul S. Willis, chairman, American Food for Peace Council.

Invocation: Rev. Martin Schirber, O.S.B., St. Johns University, Collegeville, Minn.

Introductory remarks: Hon. George McGovern.

Address: Hon. Fowler Hamilton, Administrator, Agency for International Development.

Afternoon session, Mayo Memorial Auditorium

2 p.m.: Mr. James G. Patton, president, American Freedom from Hunger Foundation "Food for Peace and the Freedom from Hunger Campaign."

2:30 p.m.: Panel discussion, "Voluntary Agencies and Food for Peace—A Partnership for Global Food Assistance," moderator, Rev. Clyde N. Rogers, Town and County Department, the Ohio Council of Churches; panelists, Mr. Frank L. Goffio, deputy director, CARE, Inc.; Rev. Reuben Youngdahl, Mt. Olivet Lutheran Church; Dr. Reginald Helferich, vice chairman, Church World Service, and vice president, Meals for Millions; Rev. Joseph Gremillion, head, socioeconomic division, Catholic Relief Services; Rabbi Hugo Gryn, executive assistant, American Jewish Joint Distribution Committee.

3:30 p.m.: Group discussion period.

4:15 p.m.: Motion picture, "A School Lunch Program in Peru," by NBC.

5 p.m.: Adjournment of afternoon session.

5:15–6:15 p.m.: Leadership meeting for State coordinators, board room, third floor, Coffman Memorial Union.

7 p.m.: Banquet, Coffman Memorial Union, main ballroom.

BANQUET PROGRAM

Chairman: Hon. George McGovern.

Invocation: Rev. Robert L. Anderson, St. Anthony Park Lutheran Church.

Address: Gov. Elmer L. Andersen.

Address: Hon. HUBERT H. HUMPHREY.

"American agricultural abundance offers a great opportunity for the United States to promote the interests of peace in a significant way and to play an important role in helping to provide a more adequate diet for peoples all around the world. We must make the most vigorous and constructive use possible of this opportunity. We must narrow the gap between abundance here at home and near starvation abroad.

"JOHN F. KENNEDY,
"President of the United States."

"Midwest America is the heartland, not only of our Nation, but of the world. As such, it must be the vital center of the humanitarian program to move surplus stocks from storage bins and shelves, to the needy peoples of the world. We midwesterners are proud to take the lead in this program—not alone because of its implications for peace, but because of the primary obligation we deem a privilege: to feed the hungry, to clothe the naked.

"ELMER L. ANDERSEN,
"Governor of Minnesota."

American Food for Peace Council, midwest region

States:	*Coordinators*
Illinois	Richard Waxenberg
Indiana	Jacob E. Kiefer
Iowa	L. B. Liddy
Kentucky	Mancil Vinson
Michigan	Sanford A. Brown
Minnesota	Earl W. Madsen
Missouri	Don Thomason
Ohio	James A. Lantz
Wisconsin	Robert Clodius

Mr. Paul S. Willis, chairman, American Food for Peace Council, Washington, D.C.

MINNESOTA ASSEMBLY ON ARMS CONTROL

Mr. HUMPHREY. Mr. President, as chairman of the Senate Subcommittee on Disarmament I have frequently placed in the RECORD documentary material relating to our disarmament policy, the conduct of international negotiations, and the like. I do this not only to keep the record straight, but also to inform the American public. Without an informed and articulate public opinion, without a large number of thinking Americans able to discuss disarmament on its merits and not on the basis of clichés or stereotypes, the U.S. Arms Control and Disarmament Agency could find itself working in a vacuum.

Happily no such vacuum exists. Although few Americans believe that a workable disarmament agreement is imminent or feasible, very many of our people believe that disarmament is one of the essential goals of our foreign policy. It is no longer true, if it ever was, that a person expressing interest in disarmament is a pacifist or a "bleeding heart." The American people, Mr. President, have a far better idea of the requirements of national security than they are sometimes given credit for.

As proof that Americans can discuss disarmament and arms control in both constructive and levelheaded terms, Mr. President, I ask unanimous consent to have printed in the RECORD the text of conclusions reached at a recent gathering of the Minnesota Assembly on Arms Control, March 28–31. This conference took place shortly before the latest U.S. disarmament proposals were unveiled at Geneva on April 18. It is interesting for this reason to note the extent to which interested citizens—representatives of business, labor, farm groups, the professions, Government, and the academic community—anticipated the conclusions independently reached by agencies of the U.S. Government.

The Minnesota assembly demonstrated what one Government participant called "a fine mixture of realism and a desire to progress steadily toward needed goals." Mr. President, I venture to say that this is the only attitude with which the subject of disarmament can usefully be approached. I know it is the attitude displayed by other similar discussions around the United States. The Minnesota Assembly on Arms Control was not an isolated phenomenon. It has had its counterparts in many different localities, in many widely separated communities. All such activities contribute their share toward the evolution of a U.S. posture on disarmament and arms control.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

ARMS CONTROL—ISSUES FOR THE PUBLIC

(Final report of the Minnesota Assembly on Arms Control)

At the close of their discussions the participants in the assembly reviewed as a group the following statement. Although there was general agreement on the final report, it is not the practice of the American assembly or the University of Minnesota for participants to affix their signatures, and it should not be assumed that every participant necessarily subscribes to every recommendation included in the statement.

The American assembly is a program of conferences which bring together business, labor, farm groups, the professions, political parties, government, and the academic community. These meetings develop recommendations on issues of national concern. The American assembly is a nonpartisan public service designed to throw light on problems confronting citizens of the United States.

The assembly was established in 1950 by Dwight D. Eisenhower, as president of Columbia University.

I. APPROACHES

1. Universal disarmament: It should be our stated goal to achieve general and complete disarmament as soon as this becomes consistent with national security. At present conceptions of national interest and attachments to disparate national institutions and value systems severely limit the growth of international community, so that states will not consistently rely upon pacific methods of settling international disputes. In the absence of acceptable alternatives to war for the settlement of such disputes, general and complete disarmament would be premature, whether by unilateral or multilateral action. It would not assure peaceful solution of international issues, and might encourage intensification of the Communist tactics of infiltration and guerrilla warfare.

2. Control of armament: Our immediate objective should be the control of arms in ways which will be discussed hereafter, in order to minimize danger of resort to war and to encourage growth of institutions of pacific settlement. This is an interest which must be considered paramount to economic considerations. To these ends we should continue to negotiate and to examine every area of possible agreement.

3. Alternatives to force: The United States should continue to use or try to develop such alternative means of settlement as quiet

diplomacy, conference diplomacy, the procedures of the United Nations, international arbitration and adjudication, international police, regional security arrangements. It should seek to develop new areas of common action in education and cultural relations, communications, economic relations, scientific exploration of outer space, and social welfare. Such efforts may contribute to mutual trust among nations and to the growth of international community and consequently diminish the inclination to settle disputes by force.

II. UNILATERAL ACTION

4. Deterrence: We have no choice at present but to try to provide deterrents which will convince leaders of Communist states that it would not be worth the cost either to attempt a nuclear attack against the United States or aggression against other areas regarded by us as important to American security. This means we are compelled to maintain appropriate strategic forces, nuclear and conventional, for retaliation against either type of attack. Hardening of these systems against destructive attack is necessary to assure the ability to retaliate. Any measures which increase the credibility of our intention to retaliate under such circumstances will help to make deterrence effective. We are under no illusion that such a system of deterrence assures security, or that it can be wholly stabilized, but the effort to stabilize it may create a situation which will encourage realistic investigation and negotiation.

5. Survival: In a period of stabilized deterrence through unilateral action there will be more identity of ends pursued by the Soviet Union and the United States than of means; thus stabilization may be attempted by one through secrecy concerning forces, by the other through overt hardening of them. In this uncertain context there may be substantial risk in not taking measures to assure maximum survival of our people in the event of nuclear attack, but also some risk that such measures would be regarded as evidence of aggressive intent. The essentially defensive program of fallout shelters should in any case be continued. Planning for a system of deep blast shelters ought to go forward, but construction should be deferred until Soviet attitudes with respect to stabilization of deterrence can be more fully examined. Standby machinery of government, capable of functioning after a nuclear attack, should continue to be developed throughout the country.

6. Planning and administration: The Arms Control and Disarmament Agency is in a good position in terms of permanency, independence, and definition of mission to make a creative approach to arms control and disarmament. It may face difficulties in terms of coordination with many interested departments and agencies, access to necessary materials, and budgetary limitations. These need not be serious if the President and the Congress give it the support it should have. To achieve maximum effectiveness it must have the resources for a substantial program of research, and the opportunity to present its data and conclusions to policy agencies.

The research program should not be limited to the technical problems of control or disarmament presented by different weapons systems. It should include such problems as Soviet attitudes toward arms control, social and political implications of inspection, methods of verification without direct inspection, the possibility of limited sanctions for the observance of control systems, the rechanneling of resources from arms production to economic aid and development programs, technological unemployment resulting from arms reduction, methods of pacific settlement of international disputes, international police, regional organizations. The Agency should encourage universities and other organizations to participate in appropriate research and training programs and should cooperate with them and with voluntary associations and educational leaders in developing wide study and discussion of these problems. It is important that the Agency be given sufficient budget to support such research and educational activity and to train personnel competent to direct it.

7. Problems of domestic adjustment: Either regulation of armament or disarmament poses serious problems of domestic adjustment. They might require acceptance of an international regulatory agency with powers of inspection and verification which some would regard as interferences with national freedom of action. Disarmament would require a transfer of industrial capacity from military to civilian production. In terms of impact upon the total economy this appears to be a manageable problem. In certain areas which are disproportionately committed to defense production the impact can be severe, so that careful reallocation of remaining defense contracts is necessary to avoid local dislocations of industry resulting from cuts in military production. The adjustments needed in both attitudes and economy deserve much more systematic study than they have yet received. Accurate information about the economic impact of proposed measures should be made available to labor, industry and the public generally.

III. BILATERAL ACTION

8. Negotiable areas of armament regulation: Only continuous research and negotiation can make clear whether there are substantial areas of arms control or disarmament with respect to which the Soviet Union and the United States can agree. We venture the following tentative conclusions:

(a) Nuclear test bans: Resumption of Russian nuclear testing has not only impaired confidence in the Soviets' willingness to observe a prohibition, but has also left us in doubt concerning the present balance of nuclear technology. Even if we already possess nuclear capacity sufficient for deterrence, an incompletely observed test ban would put us at a disadvantage in terms of new scientific advances. We support the present U.S. position to seek an agreement for an adequately policed test ban and to postpone resumption of testing while a reasonable prospect of such an agreement exists.

(b) Measures against surprise attack and accident: A stabilized system of nuclear deterrence presupposes timely detection of aggression and nearly automatic retaliation, so that effective measures against surprise attack and accidental war become essential. A basic step is adequate protection of launching bases of the retaliatory force from destruction by a first strike. Other possibilities which ought to be explored with the Russians in order to determine whether there is common ground, are some form of open skies for surveillance, perhaps by joint use of a reconnaissance satellite system, zonal inspection on the ground, disengagement proposals, admission of foreign observers to missile detection bases, or even to hardened retaliatory launching bases, direct communications to minimize the chance of misunderstanding in the event of accident. Something might be learned about methods of inspection and verification by experimenting with control systems in areas where there is not yet a direct nuclear confrontation as in Antarctica, or outer space. Joint conduct of scientific projects in the exploration of outer space might help to develop mutual confidence.

(c) Limitation of materials and production: Because of difficulties in inspection and verification of nuclear production and existing stockpiles, it may be more hopeful to attempt limitation of vehicles, although it is not clear that those to be used for scientific purposes can be separated from those intended to carry warheads. Some reduction of military manpower and armament in all categories may be possible. When the point is reached at which such reduction would affect forces in direct confrontation, this method would present problems of equating armament in different categories, to which no simple answer can be given. All these possibilities require more research and discussion than they have yet received. National security requirements for arms control are not alike for all systems of weapons, so that we are not entitled to conclude that obstacles to the regulation of one type will bar all progress.

IV. MULTILATERAL ACTION

9. Participants in arms control and disarmament agreements: An agreement between the Soviet Union and the United States for some initial reduction of forces and weapons, or for control of certain categories of weapons, might be feasible without the inclusion of Communist China. For several years this would be true of the control of strategic nuclear weapons, or of activities in outer space. Ultimately participation by the Communist Chinese will become essential to effective control or disarmament. This may mean that the United States will find it necessary to recognize the Peoples Republic of China, although in doing so the independence of Taiwan must be assured. Control of armament or disarmament could not proceed far without affecting the members of the North Atlantic Treaty Organization.

10. North Atlantic Treaty Organization: In order to reduce the danger of nuclear war it may prove necessary to build up conventional forces of the NATO countries in Western Europe. This should be done by increasing contributions of European states more nearly in proportion to their capabilities. Although these forces would be trained in the use of tactical nuclear weapons, the United States should continue its present control of the nuclear warheads. It should not encourage the development of an independent nuclear capability in these countries.

11. Asia: In the absence of effective measures of arms control or disarmament in southeast Asia, areas of the Western Pacific and other areas where there is military confrontation with communism, we should pursue a policy of developing conventional and guerrilla forces to meet Communist aggression.

12. United Nations: It is desirable for the United States to support every practical proposal to substitute effective United Nations arms control and disarmament for other multilateral agreements.

PROGRAM, THE MINNESOTA ASSEMBLY ON ARMS CONTROL

Wednesday, March 28

5:30: Check-in of participants.
6:00: Dinner---------- Charles Room
7:30: Opening plenary session--- Charles Room
Welcome and introduction, W. C. Rogers, Clifford Nelson.
An introduction to arms control, Betty Goetz.

Thursday, March 29

8:00: Breakfast---------- Charles Room
9:00: Group discussions-- Charles Room, Albert Room
12:00: Luncheon---------- Boreas Room
1:30: Group discussions--- Charles Room
4:30: Adjourn for the day.
6:30: Dinner---------- Boreas Room
7:30: Plenary session; panel discussion--------- Charles Room
Betty Goetz, Donald S. Bussey, Donald Michaels, J. I. Coffey, Barbara Stuhler, Chairman.

Friday, March 30

8:00: Breakfast---------- Boreas Room
9:00: Group discussion---- Charles Room, Albert Room
12:00: Luncheon---------- Boreas Room
1:00: Group discussion---- Charles room, Albert Room
3:30: Recreation period.
6:30: Dinner---------- Charles Room

Saturday, March 31

7:30: Breakfast---------- Boreas Room
9:00: Final plenary session- Charles Room
11:30: Adjournment.
12:00: Luncheon---------- Boreas Room

FACULTY

Fred E. Berger, director, Center of Continuation Study, University of Minnesota.

Lt. Col. Donald S. Bussey, U.S. Army War College, Carlisle, Pa.

J. I. Coffey, Institute for Defense Analyses, Washington, D.C.

Betty Goetz, Special Assistant to the Director, U.S. Arms Control Disarmament Agency, Washington, D.C.

Donald Michaels, Director, Planning and Programs, Peace Research Institute, Washington, D.C.

Clifford Nelson, vice president, American Assembly, Columbia University, New York, N.Y.

William C. Rogers, professor and director, World Affairs Center and State Organization Service, University of Minnesota.

Richard Simons, associate professor, General Extension Division, University of Minnesota.

Barbara J. Stuhler, associate professor and assistant director, World Affairs Center, University of Minnesota.

AGENDA

First session, Thursday morning, March 29

1. Should the United States try to achieve general and complete disarmament? If so, on what basis? Unilaterally? By negotiation? With what safeguards or security machinery?

2. If not, what alternative goals can the United States develop and espouse?

3. How do these goals relate to U.S. and allied security, international peace and stability, minimizing the effect of war if it should come, U.S. prestige and influence abroad, and U.S. domestic welfare?

Second session, Thursday afternoon, March 29

1. What are the problems and prospects of strengthening the security of the United States by finding common ground with Russia on cessation of nuclear tests, measures against surprise attack, measures to reduce likelihood of accidental war, controls on use of outer space, limitations on further production of missiles, of nuclear materials, other measures to stop spread of nuclear weapons to other nations?

2. Which of these controls might be sought as immediate measures even if no other disarmament should take place?

3. Which of these might be sought as a next stage in comprehensive disarmament?

4. What principles should govern arrangements for inspection and control of disarmament agreements?

5. Are sanctions for violations of arms control agreements possible?

6. Must China be included in control agreements? Other powers?

Third session, Friday morning, March 30

1. Is the policy of deterrence an adequate safeguard against war? What unilateral policies by the United States would help stabilize the deterrent? Steps to assure the certainty of retaliation? Steps to increase the probability of survival? Standby government and legislation?

2. Should the United States seek to build up conventional power in NATO, build up conventional power elsewhere, give nuclear weapons to NATO, including the West German Army, help France develop a nuclear arms capability?

Fourth session, Friday afternoon, March 30

1. Does the creation of the new Arms Control and Disarmament Agency meet the need to assign responsibility within the executive branch for arms control policy?

2. How could planning and decision-making be improved? What increases or changes are called for in personnel, budget programs?

3. What should be priority areas for planning and research? Methods of detection? Methods of administration and organization for an effective control system? Improvements in international police to maintain peace as levels of disarmament advance? Advocating U.S. policy on disarmament? Economic planning for the contingencies of arms control?

4. What policies can be adopted to prepare for possible controls in the future? Reexamination of security and classification policies? Keeping records to make later controls possible?

5. What policies can be adopted to prepare for the possible economic effects of disarmament? What is the nature of this effect likely to be? What Government policies may be required? What needs to be done by labor and industry to anticipate the economic effects of disarmament?

PARTICIPANTS

Adams, Frank E., veterans service officer (Hennepin County) and member of the Minneapolis School Board, Minneapolis, Minn.

Anderson, Mrs. O. H., president, League of Women Voters of Minnesota, Mahtomedi, Minn.

Bassett, Wayne R., Nobles County librarian and member, Minnesota State Legislature, Worthington, Minn.

Beebe, Rev. Lawrence E., First Unitarian Society of Minneapolis, Minneapolis, Minn.

Boe, Yvette, graduate assistant in political science, Ford Hall, University of Minnesota.

Canning, W. Myles, Northwest Bell Telephone Co., Fargo, N. Dak.

Chipman, William, director, Department of Civil Defense of Wisconsin, Madison, Wis.

Deutsch, Harold C., chairman, Department of History, University of Minnesota, Minneapolis, Minn.

Dupre, J. Huntley, professor of history, Macalester College, St. Paul, Minn.

Edie, John, history teacher, Blake School, Minneapolis, Minn.

Fiola, Mrs. Nell, housewife, Minneapolis, Minn.

Flanigan, William H., instructor, Department of Political Science, University of Minnesota, Minneapolis, Minn.

Fugina, Peter X., member, Minnesota State Legislature, Minneapolis, Minn.

Godwin, Paul, graduate student, Department of Political Science, University of Minnesota, Minneapolis, Minn.

Hage, George S., professor, School of Journalism, University of Minnesota, Minneapolis, Minn.

Johnson, Mrs. Walter E., civic leader, Crookston, Minn.

Leach, John V., professor of religion, Dakota Wesleyan University, Mitchell, S. Dak.

Lowe, Mrs. Justus F., church leader, Minneapolis, Minn.

Lund, Mrs. Russell T., Republican national committeewoman, Minneapolis, Minn.

Luther, Mrs. Sally, member, Minnesota State Legislature, Minneapolis, Minn.

Motter, Rev. Alton M., Minnesota Council of Churches, Minneapolis, Minn.

Okie, Richardson B., author and civic leader, St. Paul, Minn.

Otterness, Mrs. William, Women's International League for Peace and Freedom, Minneapolis, Minn.

Palmer, Miss Mary J., American Association of University Women, Minneapolis, Minn.

Pickrel, Luther, extension economist in public affairs, University of Minnesota, Minneapolis, Minn.

Pilch, Mrs. Mary M., Minnesota State Department of Education, St. Paul, Minn.

Pilgrim, Rev. Norman W., Methodist pastor, South Dakota Annual Conference of the Methodist Church, Colman, S. Dak.

Platt, Martha R., member, United World Federalists, Minneapolis, Minn.

Platt, Kenneth, high school senior, Minneapolis, Minn.

Robinson, Morris C., Grace Presbyterian Church, Minneapolis, Minn.

Schon, Hubert A., director, Department of Civil Defense of Minnesota, Minneapolis, Minn.

Simon, Sheldon, graduate assistant in political science, University of Minnesota.

Smith, Robert W., associate editor of the editorial pages, Minneapolis Star and Tribune, Wayzata, Minn.

Spaulding, Marjorie, foreign relations committee, AAUW; and World Affairs Council of Minneapolis, Minneapolis, Minn.

Wolfsberg, Vernie H., Minnesota division, AAUN, St. Paul, Minn.

ORDER OF BUSINESS

Mr. RANDOLPH obtained the floor.

Mr. COTTON rose.

Mr. RANDOLPH. Mr. President, I should like to accommodate my colleague in some manner. I always wish to do so. I am prepared to wait until he has spoken.

Mr. COTTON. Mr. President, I thank my good friend from West Virginia for his courtesy. I am very happy to have him proceed. However, I was seeking recognition in connection with the debate on the bill before the Senate. A number of Senators have been waiting to discuss this important legislative proposal; and I hope we may have some slight attention from the Chair.

Mr. RANDOLPH. If my colleague will remain in the Chamber, I shall be glad to yield the floor, because I do not wish to break the continuity of the consideration of the pending bill. However, I have heard other Senators speaking on subjects not pertinent to the pending measure, and I desired to speak on an important matter. Nevertheless, I shall be glad to yield.

Mr. COTTON. I thank the Senator; but he is not breaking the continuity. It has been broken for a long time, by a number of Senators. I am very happy to have the Senator proceed.

SMALL BUSINESS ADMINISTRATION IS STIFLED; APPROPRIATIONS TO MATCH AUTHORIZATIONS URGED; SBA LENDING NEEDED TO HELP STRENGTHEN ECONOMY

Mr. RANDOLPH. Mr. President, the Senate soon will act on S. 2970 as reported by the Committee on Banking and Currency. This measure, to amend the Small Business Act, has been reported with substantial amendments, according to the report filed for the committee by the junior Senator from Wisconsin [Mr. PROXMIRE].

I will support the committee amendments which would increase the overall authorization for the Small Business Administration's revolving fund by $250 million, making the new total $1,450 mil-

lion; eliminate the separate restrictions in the act on commitments under the regular business loan program and the disaster loan program; and place the two funds in a single pool, available for either of the two programs; increase the amount of authorization for these two pooled programs by $234 million to a total of $1,109 million; and increase the separate authorization for programs under the Small Business Investment Act of 1958 by $16 million to a figure of $341 million.

Believing that the Small Business Act and the Small Business Investment Act are significant and vital elements of our country's statutes for economic stimulation, it will be a privilege for me to support amendments to increase funding authorizations.

But in the light of conditions which have been prevailing during the past 2½ months, and unless there is a dedicated effort to improve the situation in the future, whatever the Senate does about S. 2970 may prove to be a hollow gesture. Authorizations unsupported by appropriations are not of real value to program administration. This is a condition about which I am much concerned. In a letter to the President of the United States on June 6, 1962, I wrote:

> It was most disturbing to learn that, because of insufficient appropriations, SBA was required last December to take administrative action to reduce to $200,000 the amount for which it could permit any single applicant to apply for a loan. There are many qualified small businesses that require more than this administratively imposed ceiling which is so substantially below the $350,000 limit provided in the Small Business Act. The Bureau of the Budget eventually cleared a supplementary appropriations request of only $90 million which, within itself, was not sufficient to enable SBA to meet credit demands.
>
> I feel sure, Mr. President, that you deplore, as I do, the fact that because of controversy between the Appropriations Committees, not even the $90 million request of the Budget Bureau has been made available. Thus, since March of this year, SBA has been without funds for lending purposes, except for the relatively small amounts made available from loan collections accruing to the revolving fund.

This is, indeed, a tragic set of circumstances. At a time when responsible efforts should be made, and are being made, to stimulate the economy and advance the pace of economic growth, one of the agencies of Government most willing and best able to be of assistance—the Small Business Administration—is being retarded in its efforts instead of being encouraged.

The enforced hiatus on SBA lending certainly is not providing any stimulus for forward movement of the economy. It could have been avoided had adequate funds been approved for the 1962 fiscal year. I regret that it has not since been corrected by agreement on a supplemental appropriations measure.

As set forth in my communication to the President, I believe that by comparison with the salutary effects, the additional $100 million which should have been provided for the Small Business Administration this fiscal year would have been a relatively insignificant amount. It would have afforded very real help for many small firms. Moreover, the funds would have been repaid to the Government—and with interest.

In concluding the letter to the President, I wrote:

> I intend to urge in the Senate without delay that there be a cognizance of these conditions, both in the legislative and executive branches. When such a vital element of our Government's economy stimulating agencies as the Small Business Administration is virtually forced by fiscal starvation to ride at anchor we are permitting both the agency and the economy to rust and erode. I am disturbed by this condition and urge that it be corrected. This is a petition both to my colleagues of the Congress and to you as the Chief Executive.
>
> Mr. President, I urge that you direct the Administrator of the Small Business Administration to rescind the $200,000 administrative limitation on loans as of the beginning of fiscal 1963. And I express the belief that it would be helpful, too, if the Budget Bureau would be directed to adopt a more sympathetic attitude toward the needs of the SBA. It is my judgment that the end product of such actions would be improvement in the ability of the Small Business Administration to assist the small business segment of the economy and thus enhance stimulation of the country's total economic growth.

Mr. President, the 100 largest manufacturing corporations in the United States last year had combined total assets of almost $126 billion and provided employment for over 5 million persons. The prosperity of the "glamorous 100" is vitally important to the Nation. But we must likewise be cognizant of the fact that Big Business is only a part of the Nation's economy which altogether employs more than 70 million persons in nearly 5 million enterprises.

So, it is important that we keep in mind the knowledge that there are as many enterprises in this country as there are citizens in the employ of the 100 largest manufacturing corporations. And we must not forget that most of the 5 million enterprises which provide jobs for over 70 million persons are in the smaller business category. In fact, the number of small businesses in the country within the definition used by the Small Business Administration is more than 95 percent of all businesses in the United States—or more than 4¾ million of them.

It is said that there are more owners—more stockholders—of the largest manufacturers than there are persons employed by those same corporations. This is significant and it bears relationship to the fact that the average investment per worker is very high among most of the largest firms.

Just as we must take action to sustain the small family-size farms in America, so we must likewise concentrate substantial effort on creating more economic strength and growth and more job opportunities among the smaller businesses and service instrumentalities of the country. The development of job opportunities is generally at a higher rate among the smaller businesses than seems to be the case with respect to the highly automated larger enterprises.

We must encourage business and industrial growth on a broader base, and certainly more at the level of activity which the statutes intend that the Small Business Administration shall serve.

Mr. President, I have not risen in this forum in any spirit of narrow, carping criticism. I have stated very forthrightly and, I trust, constructively, the facts as they relate to the failure of, yes, the Congress and, yes, the executive establishment to meet this problem. In West Virginia, loans have been approved which, if they were consummated, would result in men and women being employed. However, no money has been forthcoming from the Small Business Administration on those loans because the Agency is lacking in funds. Credit has been made available by the local banking institutions, representing a participation in the amount of approximately 25 cents on every dollar. Yes, the local banks' participating shares have been subscribed by the local lending institutions. The Small Business Administration has approved the Federal loans, but, I repeat, no money has been made available through the Federal Government. As a result, 20 men or 50 men or a hundred men, who would be gainfully employed if the loans were consummated, are without work. This is a serious situation.

I am not pointing a finger directly at any person or any agency or any committee. However, the administration, the Congress and its committees should be more affirmative and more positive, and must make an all out frontal effort in the area concerning which I have addressed these remarks.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. PASTORE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FEDERAL COMMUNICATIONS ACT SECTION 315(a)—EQUAL TIME PROVISION

Mr. CLARK. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. PASTORE. I yield.

Mr. CLARK. I am thoroughly in support of the pending bill, and I intend to vote for it. I should like to raise one question, however, if my friend the Senator from Rhode Island will be good enough to answer it.

There is a bill pending in his committee which would either suspend or permanently remove the requirements of section 315 of legislation dealing with equal time in political campaigns. As a candidate for reelection this year, I am deeply interested in that proposed legislation. It has been my view that there was an equal reason for suspending section 315 in congressional and senatorial elections as there was in connection with the presidential election of 1960. If it made sense to suspend the requirement in the presidential election, it seems to me it makes equal sense to suspend it in connection with senatorial and congressional elections. My question is: Does

the Senator intend to press this bill, is there a chance that he will soon hold hearings on it, and what are his views as to the desirability of the proposed legislation insofar as the campaign of 1962 is concerned?

Mr. PASTORE. So far as I am concerned, I should like to see that kind of legislation enacted before the elections take place this year. I hope there will be a majority in the Senate and in the House who will be of the same mind. However, there are pending before our committee four bills which touch upon the same point.

The Senator will recall that it was upon the initiative of the Commerce Committee that we were able to suspend the equal time provision insofar as it applied to the offices of President and Vice President in 1960. That led to the famous debates as to the election of 1960. They turned out to be so very successful that the Senator from Rhode Island introduced a bill permitting the exemption to be applied to the offices of Senator and Member of the House of Representatives and Governor of a State. Four such bills are pending. One has to do with the Presidency and the Vice Presidency; another has to do with the Presidency and Vice Presidency and Senators and Representatives and Governors, which I introduced; then there is another bill which I believe was introduced by the Senator from New York; and there is also a fourth bill. We have assigned this subject for hearings to begin on July 10.

Mr. CLARK. I thank the Senator from Rhode Island for his answer.

I observe my colleague, the Senator from Pennsylvania [Mr. SCOTT], in the Chamber. Ever since he became a Member of the Senate, we have conducted a series of biweekly reports to the people for the benefit of our constituents in Pennsylvania. On occasion, we have expressed differing points of view. We try to make the programs lively. We have had guests. We believe, perhaps egotistically, that that program was a real public service to the people.

Mr. SCOTT. It was the longest nonsustaining program on the air.

Mr. CLARK. The Senator is quite correct. At one time we broadcast over 39 radio and 15 television stations which carried the program in Pennsylvania each week. Today only 9 radio stations and 3 television stations carry the program. We are no longer able to produce a joint program, simply because I am a candidate for reelection, and the radio and television stations tell us—and I have a sheaf of letters from them—that under the equal time provision of the law they cannot continue to broadcast the program. This seems to me to be a great misfortune. My colleague, will be up for reelection in 1964, and I am certain he will feel as I do.

I ask the Senator from Rhode Island if in some way the situation cannot be improved, so as to enable this kind of program to continue.

Mr. PASTORE. There is nothing that can be done until the law is changed. That is one of the questions which perplexes the Committee on Commerce. I am one who believes the law should be relaxed. We must begin to consider the problem in the public interest. Most of the people in the industry are persons of integrity and maturity. They are interested in providing a public service. But so long as the equal time provision exists, it means that anyone who is a candidate or who announced he is to be a candidate for office would be entitled to the same opportunity his opponent enjoys. This raises a problem for the broadcasters, who simply restrict the number of programs involving legally qualified candidates who seek an elective office.

If it is desired to open up the opportunity for debates, as was done in the last campaign for President, it will be necessary to modify the law. It is my fervent hope that that may be done at this session.

Mr. SCOTT. Mr. President, I should like to have my remarks apply generally rather than with reference to Pennsylvania particularly, although I hasten to say that I agree exactly with what my senior colleague has said about the need for equal time to express views and about the utility of such programs. We would be lacking in a due sense of modesty if we were not able so to agree.

Speaking now of the broad scope, as I was formerly a minority member of the subcommittee under the chairmanship of the Senator from Rhode Island, the Subcommittee on Freedom of Information—and I take some pride in the fact that I gave the subcommittee that high-sounding title—I signed a report, together with the two majority members of the subcommittee, which report concluded that perhaps the equal time amendment could be changed as of next year instead of now. We recall the late revered Senator from Arizona, Mr. Ashurst, who is supposed to have said that consistency is, at best, a semiprecious stone.

I have had—as I believe every Senator should have—an opportunity to have time for reflection. I have concluded that perhaps I was wrong in agreeing with the two majority members about the equal time provision, and I here make my pilgrimage, if not to Canossa, at least to the Senate, and say that, after careful consideration of all sides of the question, I am inclined to believe that it would be quite desirable to amend the act so as to apply it to congressional elections—that is, to the election of Members of the Senate and House—and to apply it, perhaps, to the gubernatorial races.

I believe the right of the people to know is of sufficient importance to warrant expediting the measure. After all, the position I took earlier was that perhaps the revision could wait until next year. But now I question my own earlier judgment. I think it would be better if there could be such legislation.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed at this point in the RECORD certain additional remarks, together with certain sections from the hearings on this subject. I make this request because I am losing my voice, and I know that other Members of the Senate would not want that to happen to a compatriot.

Mr. PASTORE. Inasmuch as the Senator from Pennsylvania is not a candidate this year, I think he is entitled to his voice.

There being no objection, the statement and excerpts from the hearings were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCOTT

The all-channel TV bill was reported by our committee with such near unanimity that I thought at first I would have nothing to say about it. However, there are minority views, and I think I owe it to the legislative record to offer some comment on them, particularly because the minority views came from this side of the aisle.

The main argument of the minority views is that this bill, H.R. 8031, would intrude the Federal regulatory power into an area which it has not heretofore entered and would thus establish a bad precedent.

I think I am as loath as the next man—certainly as loath as any of my colleagues on the Commerce Committee—to see any unnecessary extension of Federal regulatory power. On principle, I oppose placing Federal regulation between the purchaser and the manufacturer, but I try most carefully to apply principle in proper cases.

With the mass of legislative proposals clamoring for our attention, it is natural enough that each of us should try to dispose of them initially by measuring them against his basic philosophy. In doing that we look for ways in which the new proposals are similar to those we have dealt with in the past. That approach is a sound one, and it will guide us rightly so long as we remember to look not only for the ways in which things are the same but the ways in which they are different.

Senators who have signed the minority views ask, if we say today that people can buy only all-channel TV sets, "where will we draw the line tomorrow?" They ask, "Why not force automobile manufacturers to make only compact cars, because limousines take up too much room, or only convertibles because sunshine is good for people?"

I submit that the minority views draw a parallel that ignores the way in which regulation of the interstate sale of TV sets differs from Federal regulation of other interstate sales. That difference lies in the fact that the Federal Government, by necessity, regulates use within the United States of the electromagnetic spectrum.

There is only one such spectrum. It exists worldwide and possesses physical characteristics that command regulation and order, if we are to get any benefit from the spectrum at all. One use at a particular point on the globe excludes another, and for this reason the Federal Government, in order to serve the people, long ago took control of the spectrum. The Federal Communications Act itself dates from 1934, so there is no novelty in the thought that there must be regulation as to who uses a frequency, at what time and in what place.

At a date which predates the service of many of us here, the Federal Communications Commission found it wise to work out a nationwide assignment of television frequencies. In the state of the telecasting art then existing, it seemed reasonable to assign VHF and UHF frequencies for ulti-

mate service to the public in the same area. As television grew, heavy public investments grew up around the television stations that began service. Most of these, for sound engineering reasons, were in VHF frequencies, so the public investment in receiving equipment has been predominantly in sets that will receive only VHF frequencies.

Now, however, the public need for more television broadcasting—to serve areas not now competitively served, or to serve the needs of educational telecasting—is demanding more and more television transmitters. They cannot be built unless there are frequencies on which they can operate. There are no longer enough frequencies in the VHF band.

Unfortunately, there are only a minute percentage of receivers in the UHF band—and there is the rub. To give a licensee a UHF frequency today is much like giving a sandlot ball team everything to play with except a ball. There simply isn't money enough in telecasting to permit a new licensee to build his transmitting facilities and his studios, and then go out and offer, free of charge, to equip every TV receiver within his range with a UHF converter. The alternative, in the public interest, is to require that future TV sets offered for sale be able to receive any transmission on an authorized frequency.

The parallels to this action are not to be found in the example given in the minority views, but in such things as requiring that aircraft using the Nation's airways be of an approved type and certified as to airworthiness, or that a household refrigerator shipped in interstate commerce be equipped with a device permitting it to be opened from the inside. Of a similar nature is a bill which has already passed the House and which would prohibit the shipment in interstate commerce of hydraulic brake fluid that fails to meet specifications of the Secretary of Commerce.

Aside from these examples, there are a host of laws in the field of food and drugs and many in the field of weights and measures. By Federal law, it is even prohibited to ship false teeth in interstate commerce unless they have been prescribed by a dentist in the State to which they are shipped.

I am not much impressed by the argument that this legislation will require a high-priced addition to set components and will thus raise the cost to consumers by as much as $150 million per year at the present level of sales. You can go downtown in Washington right today and buy a 19-inch all-channel TV set for under $150. Once this legislation goes into effect, the difference in cost between VHF and all-channel sets will reach the vanishing point. Already, I have been told, the order has gone to the design staff of one manufacturer of electronic components to develop an all-channel tuner that will sell to the assembler at a cost not more than $2 higher than the VHF-only tuner now used.

I cannot conclude without saying that I, too, feel a pang of regret that legislation of this sort is necessary. It would not be if mere mortals had the foreknowledge of gods. Had the FCC known in time of the dissimilar characteristics of UHF and VHF transmissions, we would have had a different allocations plan. Had anybody known in time, we could have had a continuous band of VHF frequencies—or UHF frequencies—set aside for television's use. But that is not the way the world works. Hindsight never anticipates, and we are left to make do with our human limitations. We are left to face the facts as they are—not as we would want them to be.

Those facts tell us that the alternative to this legislation is to choke off—indefinitely into the future—the further expansion of nationwide competitive television, and to stifle in its infancy the development and maturity of educational television.

In this same Congress, just a few weeks ago, we approved a program of Federal matching grants to stimulate educational telecasting. What we are asked to do now is to give a further vigorous lift to the educational TV potential allocated to the UHF band. Of 279 channels reserved for educational TV, 187 are in the UHF band. Of these only 28, or less than 16 percent, have been granted construction permits. The little extra lift this legislation can give could mean more to putting educational TV stations on the air than giving them exclusive rights to telecast college football—and I have heard that wistfully discussed by educational broadcasters.

May I say, in closing, that in my view, this legislation is definitely in the public interest. It will play its part, over the years ahead, in helping us to a better informed citizenry. It will give our Nation voters who have had the opportunity to see and hear all candidates, with none excluded because of unavailability of broadcast time. It will expand opportunities for education and entertainment, and will create no precedent that has not already been carved out in the public interest.

I, for one, shall vote for H.R. 8031, and I urge all Senators to do likewise.

(The following excerpt from the table of assignments shows television channels assigned to Pennsylvania.)

Table of assignments

	Channel No.
Pennsylvania:	
Allentown	39, 67
Altoona	10—, 25—
Bethlehem	51—
Bradford	80—
Butler	43—
Chambersburg	46—
Du Bois	31+
Easton	57—
Emporium	42—
Erie	12, 35+, [1] 41— 66+
Harrisburg	21+, 27—, 33+
Hazleton	63
Johnstown	6, 19+, 56—
Lancaster	8—, 55+
Lebanon	15+
Lewistown	75—
Lock Haven	32—
Meadville	62+
New Castle (see Youngstown, Ohio)	
Oil City	64
Philadelphia	3, 6—, 10, 17—, 23+, 29, [1] 35—
Pittsburgh	2—, 4+, 11, [1] 13—, 16, 22, 53+
Reading	61—
Scranton	16—, 22—, 44
Shamokin	65
Sharon	39+
Shinglehouse	60+
State College	[1] 69+
Sunbury	38
Uniontown	14
Washington	63+
Wilkes-Barre [2]	28
Williamsport	26+
York	43, 49

[1] Reserved for educational TV.

[2] Wilkes-Barre, Pa.: 34 deleted eff. Jan. 22, 1962.

Educational television channel reservations

	Channel No.
Pennsylvania (5):	
Erie	41
Philadelphia [1]	35
Pittsburgh [1]	13
Pittsburgh [1]	16
State College	69

[1] Educational stations on the air; does not include noncommercial educational stations operating on nonreserved channels.

Statements or communications from Pennsylvania, as printed in the hearings on S. 2109, were as follows:

STATEMENT BY MORT FARR, CHAIRMAN OF THE BOARD OF NATIONAL APPLIANCE & RADIO-TV DEALERS ASSOCIATION, IN SUPPORT OF BILL S. 2109, TO ENABLE THE FCC TO REQUIRE TV MANUFACTURERS TO MAKE ALL-CHANNEL TELEVISION RECEIVERS

My name is Mort Farr, an appliance and television retailer from Upper Darby, Pa. I have been associated with the radio and television industry since 1920. I have been a pioneer in the amateur radio field, having been issued amateur call letters 3ME, and an operator's license signed by Mr. Hoover, then a Director of Department of Commerce in 1920.

I appear here today as chairman of the board, and chairman of the legislative committee of NARDA. Through my association with this organization, as a director since 1946, and as president in 1950–51 and chairman of the board continuously since that time, I am in constant contact with retailers throughout the United States. We are here to lend support to the enactment of bill S. 2109 and its principles as proposed by Mr. Newton Minow.

There are many reasons why our organization supports this bill.

(1) A radio, if purchased in 1920 and still operative, would be capable of receiving all frequencies currently in use in the United States. Television is the only mass communication service whereby all frequencies assigned to that service cannot be received on all sets. An individual pays 90 percent of the cost of what would constitute a complete set, and that set is only capable of receiving one-seventh of all available channels.

In color TV for example, the consumer is really paying 95 percent of this cost and for less than 5 percent additional, they could purchase a receiver which cannot become absolete. If it becomes mandatory to include all-channel selectors in the manufacture of all television sets, it would therefore encourage the building of more TV stations to better serve markets that have either no or too few broadcasting stations.

(2) A much wider selection of programs would become available to the viewing public. This would create much keener competition between networks and stations which would tend to improve the quality of the programs. It would also bring network programing to areas not being currently serviced.

(3) The greatest single factor in all-channel television would be in the field of educational TV. This could probably be the greatest single force in furthering education since the invention of the printing press.

It is interesting to note that the Educational TV Association has indicated that as many as 1,000 of the approximately 1,800 additional channels available will be required for educational purposes.

It is true that a small percentage of our current TV programs are devoted to education. However, the scheduling of these shows at inconvenient hours and not available in many areas reduces greatly the benefits that could be gained.

(4) There is no doubt as to the need for all-channel receivers. We have already established the additional cost is insignificant for the extra services possible. Having gone through the early problems incurred when UHF was first introduced after the "freeze" and recognizing the tremendous advances both in transmission and receiving of these channels, there should be no reason why in most locations the quality of the picture should not be as good on channels 14 to 84 as they are now on channels 2 to 13.

(5) I have no doubt that had a ruling such as this bill proposes been enforced in

1952 when there were less than 7 million television receivers on the market, the position of the television industry would be in a more advanced state today.

The bill, as proposed, will not obsolete present sets. The viewer can be sure of getting the channels they now receive and the most they might have to do, if additional stations open up in their area, is to add a converter.

As a representative of an industry which has been paying a 10-percent excise tax on television sets manufactured, I have gone to Washington on many occasions to try to have this unfair tax removed. While it was imposed as a temporary measure, it is renewed each year with a promise that at some further time relief wil be granted. Perhaps this might be a good time to propose that all sets being manufactured that include all-channel tuners will either not be taxed or perhaps taxed at 5 percent.

This will be especially beneficial to stimulate the sale of color television sets as it will make the price of all-channel color sets no higher than the VHF models.

I believe that the stimulation that the sales of color television would receive could conceivably result in little loss to the revenue department, as a color television set sells for at least twice as much as a black and white model.

I want to thank the committee for giving me the opportunity of presenting our views relative to the inclusion of the all-channel selector on all television sets manufactured, and would now like to give the gentlemen on the committee a chance to ask any questions that they might desire.

PHILADELPHIA DISTRIBUTORS, INC.,
King of Prussia, Pa., March 8, 1962.

Hon. JOHN O. PASTORE,
Chairman, the Communications Subcommittee of the Senate Commerce Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR PASTORE: As a distributor of Motorola television sets for the Philadelphia area, I am writing to you to express my opposition to S. 2109, a bill which you know is designed to amend the Communications Act of 1934, and thereby give the Federal Communications Commission some regulatory authority over television receiving apparatus. It seems our free enterprise system is being affected by this bill, since it tends to dictate to manufacturers the kind of products they should build.

While this bill has been referred to as a UHF bill, it actually seems to cover a much wider field, since it would place in the hands of the Federal Communications Commission the capability of specifying the performance of all television sets. Not alone would it stop there, but it would place in the hands of this group the authority over picture power, number of tubes and circuits and the amount of wiring in each set.

If this bill were limited to allowing the manufacture of only VHF–UHF sets, which is not the case, it is my opinion that any action taken prior to ascertaining the results from the New York channel 31 tests would be a little previous. It is our opinion any tests run showing the comparison between UHF and VHF will prove the VHF system to be far superior. You probably already know the UHF signal is 30-percent less effective, and very definitely UHF chassis are far more likely to be affected by interference.

Last, but not least, the most important factor is that a television set with UHF tuners will sell for considerably more money than VHF sets, and it seems this is an imposition when every customer would be forced to pay this additional amount even in areas where there is no UHF broadcasting. This situation exists in some of our most populated cities in the country; i.e., Philadelphia, New York, Chicago, Washington, D.C., and Los Angeles.

May I ask this letter be inserted in the transcript of the hearings in the above bill.

Respectfully yours,

A. E. HUGHES, Jr., *President.*

THE ELECTRONIC SALES CO.,
West Haven, Conn., March 1, 1962.

Hon. JOHN O. PASTORE,
Chairman, Communications Subcommittee of the Senate Commerce Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR PASTORE: We vigorously oppose bill S. 2109 amending the Communications Act of 1934.

Passage of this bill places an unfair financial burden on large segments of our population.

In southern Connecticut we are served by seven VHF channels from New York, and two channels located within Connecticut. These channels offer the public a wide variety of entertainment and news.

The Government enforcement of UHF transmission and production of only all-channel receivers would not benefit the residents in this area as they are receiving currently a wide variety of programing. However, they would be forced to pay the extra cost of all-channel receivers.

There are other items in the bill to which we object. Notably, the placing in the hands of a Government agency the authority to dictate to private manufacturers the kind of products they can build. Granting the FCC this authority is not consistent with the Government's policy of laissez faire. This broad authority in the hands of FCC will help destroy our system of free enterprise which has been an integral part of our democracy.

We ask that this letter be made part of the record of hearings to be held on S. 2109.

Yours truly,

FRANK J. DECAPRIO,
Vice President.

ERIE, PA., *February 17, 1962.*

Hon. SENATOR PASTORE:

I strongly encourage you to vote for Representative ROBERTS' bill, H.R. 9267.

As a Democratic State committeeman from Erie County, Pa., channel 12 is needed badly. Petitions are circulated and it would be a great disservice to put it on UHF.

I contacted many of your fellow Senators and Representatives and many feel as we do in Erie County. Northwestern Pennsylvania needs channel 12 on the VHF signal.

Sincerely,

STEVE JANCEK,
Democratic State Member.

PENNSYLVANIA LEAGUE OF ITALIAN VOTERS,
Erie, Pa., February 17, 1962.

DEAR SENATOR PASTORE: I strongly encourage the Roberts bill, H.R. 9267, to be passed. As president of Pennsylvania League of Italian Voters I personally recommend channel 12, WICU, Erie, Pa., station to be retained on VHF signal, not a UHF signal. Many of my friends throughout northwestern Pennsylvania will be very disappointed if channel 12 will be eliminated.

Sincerely yours,

ANTHONY SENECI.

CRAIG CORP.,
Los Angeles, Calif., February 26, 1962.

Hon. JOHN O. PASTORE,
Chairman, Communications Subcommittee of the Senate Communications Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR PASTORE: It has come to our attention that there is a bill to amend the Communications Act of 1934 to give the Federal Communications Commission certain specified requirements for the manufacture of television receivers. This bill is S. 2109.

We would like to express strong opposition to this bill. First of all, making all-channel VHF–UHF television receivers mandatory by law the Government is forcing millions of people to pay an extra cost for something they may never use. Major metropolitan ares across the country who are not using UHF may never adopt its application. This seems extremely unfair to the millions of consumers located in areas such as Los Angeles, New York, Philadelphia, and Chicago.

It is a known fact that UHF is an inferior system to VHF as it does not offer the same quality to the customer. The range of UHF signal is less and, in addition, is more susceptible to interference caused by buildings, trees, etc.

I also strongly oppose the fact that this bill jeopardizes the American free enterprise system by placing in the hands of a Government agency the authority to dictate the kind of products private manufacturers may build.

Sincerely yours,

ROBERT CRAIG, *President.*

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 1, 1962.

Hon. JOHN O. PASTORE,
Chairman, Subcommittee on Communications, Senate Committee on Commerce, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The attached statement is to be incorporated into the record of the Communications Subcommittee on S. 2109.

Your assistance in this matter is appreciated.

With all good wishes.

Very truly yours,

JOHN B. ANDERSON,
Member of Congress.

AMENDMENT OF FEDERAL COMMUNICATIONS ACT SECTION 315(a)—EQUAL TIME PROVISION

Mr. CASE of New Jersey. Mr. President, the Senator from Pennsylvania, if only by reason of the authority he has cited, is entitled to change his mind. But I remember that the poet Walt Whitman had a line or two which are apropos:

> Do I contradict myself?
> Very well then I contradict myself,
> (I am large, I contain multitudes.)

Mr. SCOTT. The Senator from New Jersey contained multitudes when he won by so great a majority.

Mr. CASE of New Jersey. We worked this out beforehand. [Laughter.]

On the question more immediately before us, I desire, as a member of the Senator's subcommittee, to express complete satisfaction, and I wholeheartedly endorse his position about the holding of hearings on the bills. I think the objective is a sound one.

The senior Senator from New York [Mr. JAVITS], the sponsor or the author of one of the bills, asked me if I would, on his behalf also, express his appreciation of what he had understood the chairman proposed to do at this time, so in the Senator's absence, and for him, I also thank the chairman.

I thank the Senator from Rhode Island, who is chairman of the subcommittee, for his gracious, sound, and right recognition, with respect to the report of our subcommittee on the pending bill, of the interests of the great State of New Jersey, which I have the honor, together with my colleague [Mr. WILLIAMS], to represent.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Mr. COTTON. Mr. President, I have been seeking recognition because, as one of the signers of the minority views on behalf of the Committee on Commerce, I desire to express the reasons for our opposition.

I should say, before I begin to discuss the legislation itself, that since the bill was taken up on the floor last night, my attention has been called to a situation which I deplore. It will be recalled that just before adjournment last night a colloquy took place concerning the length of time debate on this measure would take. The distinguished Senator from Rhode Island [Mr. PASTORE] implied that he did not anticipate any substantial or important opposition. This was a gentle jibe at me and was received in that spirit. I then stated that there would be some opposition, and that I was one who would oppose the bill.

To my amazement, since the colloquy took place in the Senate last night, I have found myself, I will not say bombarded, but importuned by representatives or persons who are under the supervision of the Federal Communications Commission to please not assert any determined opposition to the bill, because it is their fear that if the bill were held up or defeated, the Federal Communications Commission would be so irritated that those persons might suffer before the Commission. I am positive that those representations were not made because of any instigation by any member of the Commission.

I am a great admirer of the Commission, and an admirer especially of the Chairman of the Commission. I was much impressed by him when he appeared before our committee. I have had reason to congratulate him, with great sincerity, because of the effort he has been making to clean up television and radio entertainment and to make it of a better grade for the American people. I have great confidence in his ability and integrity, and also in those of all his associates. However, Mr. President, as is stated in the report, this bill is admittedly a Federal Communications Commission proposal, and it has been proposed for reasons which to the Commission seemed sound.

Now the bill has been brought to the Senate. The Federal Communications Commission is a creation of the Congress and is a servant of the Congress. Certain duties have been delegated to the Federal Communications Commission; but the Commission is not the master of the Congress, not even in this field. Therefore, I rather resent attemps to muzzle some of us, particularly in view of the fact that the proposed legislation involves a principle which inherently is extremely dangerous.

Mr. President, at this time I wish to present a slight amplification of the views set forth in the committee report.

Despite the complexity of television, and despite the ease with which VHF may be confused with UHF, the basic issue which confronts the Senate on this bill is relatively simple.

The question is whether the benefits of all-channel TV receivers would outweigh the evils of the precedent which the bill would set. My own conclusion, arrived at after long and careful consideration, is that they would not.

By requiring that all TV sets shipped in interstate commerce be capable of receiving 82 channels, instead of only the 12 VHF channels, the bill would set a far-reaching precedent whose dangers are clear and direct.

Make no mistake about it, Mr. President, the bill would substitute Government regulation for the public's freedom to choose among manufactured products. It might be a forerunner of the consumer controls of the future, and it would open whole new vistas of coercion and confusion. In the past Congress has limited the public's right to choose among products, when the public health or safety was a paramount factor. But no such considerations are presented in connection with this bill.

Neither the public health nor the public safety is involved, and the most ardent supporters of this proposed legislation concede this. The regulatory purpose of this bill is purely social. Once we started down this road, could anyone tell where it would end? If, today, we force people to buy TV sets they do not want and cannot use, where shall we draw the line tomorrow, if there is any line left to draw? Why not force automobile manufacturers to make only compact cars, because limousines take up too much room; or only convertibles, because sunshine is good for people? There would be literally no end to the chains of regulation which would bind the American people, if this approach were adopted generally.

There will be those who will say that this bill ought to be enacted because its purpose is good. It seeks the laudable goal of expanding and improving the television services available to the public. But it is no excuse to contend that the purpose of the bill is good. Justice Brandeis scotched that when he said:

> Experience teaches us to be most on our guard to protect liberty when the Government's purposes are beneficent.

Other important disadvantages to this bill should not be obscured by the general desire for more and better TV service.

First, estimates presented to our Committee during its hearings on the bill indicate that it would add about $25 to the cost of each TV set. This would saddle the consumers with an extra burden amounting to $150 million a year, at the current level of sales. All-channel TV service would not come cheap to the American public.

Second, the bill would not correct the fundamental disadvantages of UHF television. Signals broadcast on its channels, numbered from 14 through 83, can be received only at substantially shorter distances than the VHF signals broadcast on chanels 2 through 13; and this disadvantage gets progressively worse as the channel numbers get higher. Furthermore, UHF broadcasts are subject to considerably more difficulty from shadowing and from other forms of troublesome interference than are VHF broadcasts.

The bill would inevitably lend new impetus to the drive to move all television services to the UHF channels, and thus free the present VHF channels for other use. Such a move could far more easily be accomplished after all the Nation's TV receivers were equipped to receive the UHF channels. Regardless of the overall merits of this long-discussed solution to the TV problems, the fact remains that it would result in a loss of TV service in many rural and suburban areas of the Nation.

The bill admittedly proposes a slow-acting, long-range step toward a resolution of the problem of using the 72 UHF channels. It would require at least 6 to 8 years, according to Commerce Department estimates, to substantially replace the sets now in use; and by then this proposed legislation may not be needed at all. All-channel set production so far this year is 100 percent greater than for the same period last year, increasing in apparent response to the rising public interest in UHF broadcasting, especially in educational TV, which is getting an extra and highly beneficial shot in the arm from the new Federal-aid program enacted into law earlier this year. The bill would thus impose on the American people a wholly unprecedented regulatory scheme, in order to accomplish a goal 6 to 8 years into the future, when no one can foresee what might then be the circumstances, the needs, the technology, or the public interest.

In weighing the advantages and disadvantages of the proposed legislation, we ought also to consider its chances of achieving the TV breakthrough which is its main objective. Would the presence of all-channel sets "light up" the 1,400 unused channels in the UHF band? That would undoubtedly help, but it must be borne in mind that such receivers in the hands of the public would not necessarily enable a local UHF station in a small town to compete successfully for the advertiser's dollar, against the efforts of the strongly based VHF station in a big city. Many of the UHF channels allocated by the Federal Communications Commission have been placed in smaller communities which already receive TV service from longer range VHF stations in the same or nearby cities. There can be no doubt that new stations using these UHF channels would have a real economic battle on their hands, no matter how many sets were capable of receiving their signals. And in assessing the chances of success of this proposed legislation, it may be appropriate, also, to note that 25 percent of the existing VHF channels are still unused, despite the fact that 100 percent of the Nation's TV sets can receive signals from these channels.

Passage of the legislation certainly would guarantee a profuse flowering of what has been called the vast wasteland of television.

At best, the bill would be a dubious experiment, and be it a success or a failure, it would set a precedent which will plague us from now on.

I cannot support legislation which asserts the Federal regulatory power for purely social ends, however desirable they may appear. In this I will take my stand by the side of Abraham Lincoln who said, "You will never get me to support a measure which I believe to be wrong, although by doing so I may accomplish that which I believe to be right."

Mr. President, I should like to add a word to my statement. In the first place, the Washington News of May 29, 1962, contained an editorial in which this legislation was discussed. A single sentence in the editorial sums up the legislation in striking fashion. The sentence reads: "In other words, if the law of supply and demand does not work as fast as Washington thinks it should, pass a law and hurry it up."

I ask unanimous consent that the entire editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MANDATE FOR TV-SET MAKERS

Congress apparently is about to pass a bill to compel TV manufacturers to produce television receivers good for all channels—UHF as well as VHF. Most sets now will take only the VHF channels, of which there are 12.

UHF, or ultra-high-frequency, channels are more numerous—70 now are available.

The Federal Communications Commission is pushing this bill on several grounds: To give viewers a choice of more programs, to provide TV service for communities which lack it because of the shortage of VHF channels, to stimulate more educational stations.

"What this country needs," says FCC Chairman Minow, "is more television, not less."

There are relatively few UHF stations now because so few homes are equipped to receive them, he reasons. The manufacturers won't make all-channel sets because, since there are so few stations, there is small demand—and the cost is $20 to $30 higher.

So the answer, the FCC thinks (and the House already has passed the bill), is to compel the manufacturers, by law, to make all-channel receivers.

In other words, if the law of supply and demand doesn't work as fast as Washington thinks it should, pass a law and hurry it up.

The same argument could be applied to color TV. Set sales have been relatively slow because the cost of the sets was high, and color programing has developed gradually. Programing came along slowly because of cost and the lack of demand resulting from the scarcity of receivers.

If Congress can force the manufacturers to make all-channel sets, cannot it also force them to produce color sets? And then, by law, tell the stations what programs to present? Or decree that all radio sets must be both AM and FM? By this law, if the Senate approves, Congress also in effect is compelling the TV viewer to buy an all-channel set whether he wants it or not.

The processes of a free market may be too slow for the impatients here in Washington—but in our judgment a lot less dangerous.

Mr. COTTON. Mr. President, I commend the distinguished Senator from Rhode Island [Mr. PASTORE], and the staff, for the frankness, clarity, and completeness of the report presented by the committee. We find this statement in the report:

It must be remembered that this involves a unique situation which would not in any way constitute a general precedent for such congressional regulation of manufactured products.

That statement in the report was referred to in the remarks of the able Senator from Rhode Island, and was brought up by the Senator on the floor with complete sincerity.

I am sure it is the fixed belief, almost the unanimous belief, of the Committee on Commerce. But, Mr. President, the mere fact that the Committee on Commerce, or its majority members, make the statement does not make it so.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. COTTON. In just a moment.

In the history of the enlargement of powers of the Federal Government, I doubt if there have been many chapters that have not had as their preface that very remark, "This is a unique instance. There are peculiar reasons."

This instance is unique in that, so far as I can determine, it is the first time it has been suggested that the Congress of the United States reach out its arms and, by law, deprive the consumers of their right to purchase manufactured commodities, unless there is some element of safety or help involved.

I yield to the Senator from Nebraska.

Mr. HRUSKA. First of all, I would like to compliment the distinguished senior Senator from New Hampshire for the splendid statement he has made, pointing out the inherent dangers in, and dubious precedents for, this legislation. It seems to me that the case of the Senator from New Hampshire is quite sound and well reasoned. I join him in his commendation of the writers of the report by the majority, not only for the clarity in stating the problem, which is notable, but also in the frankness with which they say, "There is no market for UHF stations; we want to legislate one."

That is just about the size of it and frankly and undeniably it is the objective of the bill.

On the point, however, which the Senator from New Hampshire has just raised, namely, that there may have been other instances where, by Federal legislation or by State legislation, there had been prescriptions for or prohibitions against the manufacture for transportation across State lines of various products, my attention was called to the legal opinion rendered by the general counsel of the Federal Communications Commission, Mr. FitzGerald. In writing on that particular point, he drew attention to statutes in that category. Among them is a statute relating to gambling devices which shall not be transported in interstate commerce.

There is a statute relating to the prohibition of the manufacture or sale of highly flammable articles of wearing apparel, and there is a statute relating to the prohibition of the transportation of household refrigerators between States unless they are equipped with adequate door-opening devices. We also have examples such as the statute relating to the prohibition of manufacture of cars unless there is a particular type of safety glass used for the windshield, doors, or other panels through which the occupants of the cars may see.

These statutes have been cited as a precedent for this type of legislation. The Senator from New Hampshire has indicated the distinction between these situations and the provision of this bill.

My question to the Senator is, Would he care to elaborate on that point?

Mr. COTTON. I think in the examples the Senator from Nebraska has brought out, and which indicate his study of this whole matter, in every single instance, so far as I know, they are cases in which we have restricted the sale to the consumer of articles in which the public health, safety, or morals were in some way involved.

I believe there is pending in the Committee on Commerce at the present moment, if I am not mistaken, a measure which has to do with placing a Federal restriction on the kind of brake fluid that shall be provided in automobiles. I do not know whether the bill will receive the approval of the committee or not, but that proposal is different from the one now before the Senate, because it has to do with the public safety.

If there were a Federal law providing that every automobile shipped in interstate commerce be equipped with a nonshatterable windshield—I believe there are State laws on that subject but no Federal law—it would be in a different category than the pending bill.

So far as I have been able to determine from such examinations as I have been able to make, the pending bill is the opening of a new chapter and an entering wedge along a new line. It is a Federal regulation and a Federal restriction on the right of American consumers to purchase articles, and the restriction is for a purely social purpose, no matter how worthy that purpose is, and I admit that the purpose is praiseworthy and the intentions are the very best.

When we take the step across that line and enact that restriction, we are just turning another page, and I think Senators will find it will rise to plague us because we have taken a step that provides Congress can, if it thinks a certain article is good for the buying public and another article is not good, prevent the consumer from exercising his free judgment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I certainly yield to the distinguished chairman of the subcommittee.

Mr. PASTORE. I assure my colleague from New Hampshire, in all honesty and frankness, that the matter he has raised was of very serious and grave concern to the members of the committee, so much so that I called upon the General Counsel's Office of the FCC to render an opinion as to the constitutionality of the proposed law. That opinion is included in the report. Not being satisfied with that, I thought we should request an opinion from the Attorney General's De-

partment. We made that request of the Department of Justice. An opinion was rendered by Mr. White, who is presently a member of the Supreme Court, who decided it was constitutional.

I realize we have an unusual situation here, and I can well appreciate the apprehension of my colleague. The line of demarcation is not so wide that it is black or white. There is a rather gray area. All of us must be rather jealous of safeguarding and making sure that we do not establish a precedent that will disturb our whole system of free enterprise. No one was more disturbed or conscious of the fact than myself. But there is this to be said: There is a distinction to be mentioned here. We are not dealing with an item such as automobile brake fluid, which the Senator mentioned earlier. We are dealing here with a natural resource and a limited resource not available to everyone.

The radio spectrum belongs to all the people of the United States. It is in a public domain area. A serious question arises because there is a vast section of the spectrum, which includes 70 UHF channels, which is not being used for the public benefit.

The argument is made that the basis for this proposal is only social. It is a little more than that. A short while ago we recognized that we must do something about grants-in-aid to communities in order to permit the fuller use of television for educational purposes. It had been testified before our committee that the one chance television had to promote the educational capabilities and facilities of the Nation was to activate the UHF channels reserved for educational purposes.

I realize that a good argument can be made on the other side. I do not pretend to stand here and say that the arguments advanced on the other side are unreasonable or injudicious, or that they do not make sense. Of course they do. I am very happy that they are being made, because it should be clear from this RECORD, that we are not opening the door wide, willy-nilly, to disturb our whole system and concept of free enterprise.

However, we do have a special case, and we must weigh the factors very carefully. The members of the committee did so. There are 17 members of the committee, and the vote stood 14 to 2. That does not mean that 14 are right and 2 are wrong. There was a considered judgment of sensible men who weighed every feature and element of the bill before us. They decided that in the public interest this was the only solution. It is in that spirit that we come here.

I do not in any way criticize my good friend from New Hampshire, because the very things he is saying are the things which were the basis of interrogation conducted by the senior Senator from Rhode Island at the hearings, as the Senator well knows.

I congratulate the Senator for the fine, clear presentation he has made today. My only regret is that I cannot agree with him. I do not like to think what the consequences would be if he should win and we should lose.

Mr. COTTON. Mr. President, I thank my distinguished friend from Rhode Island for his very kindly statement and consideration, and the way in which he has reiterated the position of the vast majority of the committee, and the almost unanimous belief of members of the Commerce Committee.

I would hesitate even to take the time of the Senate to state my position, in the face of a vote of 15 to 2, were it not for the fact that I feel this conviction very deeply. I want it clearly understood that the Senator from New Hampshire is not suggesting that there is anything in the bill which is unconstitutional. I have read the statement of the now Justice White, of the Supreme Court. I do not question it in the least.

In the opinion of the Senator from New Hampshire, who is only a country lawyer, the interstate commerce clause of the Federal Constitution has been stretched so far that there is not much that the Federal Government cannot do, if the Congress chooses to do it, in dealing with all kinds of commerce. That adds to my apprehension every time the Congress takes another step in this direction.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. PASTORE. Even though an operation might be in interstate commerce, and even though the subject matter might come within the jurisdiction of the Federal Government, if the personal rights of individuals were violated or if there were a substantial denial of property rights of individuals, certainly the proposed measure would be unconstitutional; and if it were unconstitutional, the activity could not be regulated under the interstate commerce clause.

Of course, the decision rests upon whether or not the proposed law is constitutional.

The argument made by my friend from New Hampshire rests upon the determination as to whether or not property rights are being denied. If they were, the bill would be unconstitutional. If they were not, it would be constitutional; and if it were constitutional, the particular activity could be regulated.

Mr. COTTON. Mr. President, in view of the remarks of the distinguished Senator from Rhode Island, I prefer to state my own grounds for my opinion. I have just stated that it was not based upon the ground of constitutionality.

Let me be more specific. When the Supreme Court of the United States lays down such a far-reaching decision as that because a man is employed as a janitor washing the windows of a building in which there is an office rented to a concern in interstate commerce, he is engaged in interstate commerce; and when the court decides that if a lighthouse throws its rays across the boundary of a State, the company furnishing power to that lighthouse is engaged in interstate commerce, I say, without fear of too much contradiction, that the court has already stretched the interstate commerce clause of the Constitution so far that it admits all kinds of latitude. The only remaining place where restraint can be exercised is here in the Congress. It may be said that the rights of an individual may not be impinged, but I do not quite swallow that argument, even though I know it is the earnest and sincere belief of the most able Senator from Rhode Island.

I repeat that I do not question the constitutionality of the bill. But because it may be constitutional does not make it right. I do not question the argument that it might bring some good. It might mean the further installation and advancement of educational television. No Member of the Senate has been more enthusiastic and loyal in the matter of advancing educational television than has the Senator from New Hampshire. But this is not my reason for opposing the bill. I do not know that I have received a single letter from a constituent on this subject.

I happen to live in an area where television reception is practically nil. When I sit down in my living room at home and turn on my television, if I were not a subscriber to a community antenna system, I could not get a thing but a snowstorm. That would be doubly true if we should ever have a UHF station in my locality. There are not enough people in the locality to justify a UHF station, even if all of them were compelled to buy the kind of receiver which could receive it.

The bill probably does not impinge upon human rights; but what are we doing in the interest of what we think may bring about some good? We are saying to thousands—perhaps to millions of people throughout the country in various areas where the people may never even be able to afford a UHF station, and where they may not even eventually have UHF stations, that they must purchase receivers which they do not need, which they do not want, and which they cannot use.

That is exactly what we are up against. The present proposal would establish a new process in dealing with the consuming public. One may lead a horse to water, but he cannot make him drink. The mere fact that there might be built into my receiving set the capacity to receive all these stations would not cause me to use such facilities, even if I could do so, so long as a city station a few miles away had the resources and the ability to put on a fine program, and the local station put on a mediocre program. To that extent the bill would not effectuate any good.

Lastly, the testimony before the committee indicates that this system may not be necessary at all. We are progessing in the good American way. The sale of television sets which have the capacity to receive all these channels has increased in the past year by 100 percent. People are being encouraged to buy them. People are buying them in increasing numbers. If that is the case, why is that not the way to do the job, rather than to start down this road?

I have stated the sum and substance of my position. I had not intended to take as long as I have taken. So far as I am concerned, I shall not ask for a yea and nay vote. I merely wish to record

my opposition to the bill for the reasons stated.

I thank the distinguished Senator from Rhode Island [Mr. PASTORE] for his very fine consideration throughout the hearings in the committee and on the floor of the Senate. It is characteristic of his unvarying courtesy and fairness. I greatly admire the work he has done on the bill. I hope that if the bill must pass, it will work out well.

LOSS OF LIBERTY SCOREBOARD

Mr. CURTIS. Mr. President, it seems appropriate that a score should be kept of the attempts that would lead to the loss of liberties of our people. Two of the dominant trends in this regard consist of the concentration of power in the Central Government and in the office of the President and increased spending which leads to inflation, chaos, and a threat of bankruptcy. These are the things that cause free people to lose their liberties.

On May 9, I expressed my grave concern over President Kennedy's demands for more Presidential powers and more moneys to be spent. I placed in the RECORD a tabulation supporting my concern which indicated that as of the end of April, the President had, in 1962, made 62 requests for more spending and 25 requests for more Presidential powers. I regret to report that this reactionary and destructive trend in Government is continuing at a steady pace. The tabulation as of May 31, 1962, shows 68 requests for money and 27 requests for Presidential powers. As previously indicated, I intend from time to time to bring these figures up to date for the information of the Congress and the country.

I ask unanimous consent that there be printed in the RECORD at this point this additional tabulation for consideration in connection with my chart placed in the RECORD May 9, 1962.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

87TH CONG., 2D SESS.

Loss of liberty scoreboard—Kennedy demands more power and more money

HIS REQUESTS

1962	More spending	Number requests	Total	1962	More power	Number requests	Total
Apr. 19	(Date of last request)		62	Apr. 19	(Date of last request)		25
	Grand total as of last Apr. 30.		62		Grand total as of last Apr. 30.		25
May 10	(21 days later)	1		May 7	(18 days later)	1	
15	(5 days later)	1		16	(9 days later)	1	
21	(6 days later)	1					
23	(2 days later)	1					
24	(1 day later)	2					
	Grand total as of last May 31.		68		Grand total as of last May 31.		27

SHAMEFUL

Mr. YOUNG of Ohio. Mr. President, a few moments ago I was shocked to read a news bulletin on the teletype outside the Chamber. The bulletin states:

HYANNIS, MASS.—Four more reverse freedom riders took up life on Cape Cod today and it appeared that the industrial city of Lowell was due for a busload of Negroes.

Richard Cornett, 31, of Little Rock, Ark., an unemployed construction worker, his wife, and their two young boys arrived here yesterday with $20. Mrs. Cornett and the boys were housed at nearby Camp Edwards. Cornett stayed here to look for work.

Meanwhile, the office of Lowell Mayor Joseph M. Downes said last night it had received a telegram from a New Orleans, La., group stating it was prepared to send a busload of Negroes to that northeastern Massachusetts city.

The telegram, sent by a group calling itself citizens group, said:

"Commemorating 100th anniversary of your famous Gen. Benjamin Butler, we are preparing to send first busload of those he liberated. Please advise when accommodations available."

Mr. President, as a student of history, I hold Gen. Ben Butler in very low esteem. He was a mere bush-league political general in the Civil War—and a very mediocre one at that. He owed his appointment as a Union general not to any military skill, experience, or knowledge, but simply because he was an effective—and at times unscrupulous—politician in Massachusetts. For political reasons Butler was given various commands by President Abraham Lincoln, until unfortunate events which afflicted the Union Army brought the facts of life home to those in authority in Washington, and generals were made generals and given commands on their merit and not because of political considerations. For a period of time in 1862 he commanded the Union force which occupied New Orleans. Many of his acts as military governor were so offensive, arbitrary, and notorious that he was removed from this command by President Lincoln in December of that year.

I preface the few remarks I have to make because I want it understood that I do not consider Gen. Benjamin Butler's memory to be greatly revered for his part in the War Between the States more than 100 years ago.

Mr. President, when a citizens group in Little Rock, Ark., or in New Orleans, La., takes action of the sort described in the news bulletin in virtually forcing or persuading destitute Negroes to leave their native States and native cities to be shipped to various cities in the North, whether the city be Hyannis or Lowell, Mass., or Cleveland, Ohio, or any city whatever, it is a shocking and shameful performance.

Negro families are supplied with one-way tickets and $5 for each person. They are, of course, told not to come back. The destitute unemployed person is a destitute and unfortunate individual whether he lives in New Orleans or Cleveland, and whether he is black or white.

In this country unemployment is a great moral wrong. It is unfortunate that in New Orleans and in Little Rock, Ark., and perhaps other places—I hope there are no other places—members of white citizens' councils evidence that they are devoid of character and of any feeling for human suffering. Their action may call attention rather forcibly to the misfortune and the ugly facts that Negroes in some areas of the Deep South are being deprived of their rights as American citizens and as human beings. This is really a sickening spectacle, and public officials of New Orleans demonstrate a shameful lack of judgment, good taste, humanity, and decency in permitting Negroes born and reared in that area to be exploited and mistreated in such a shameful manner.

AMENDMENT OF THE FEDERAL COMMUNICATIONS ACT OF 1934

The Senate resumed the consideration of the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Mr. WILLIAMS of New Jersey. Mr. President, many arguments have been given on the national need for the bill now under discussion. We have been told by Mr. Newton Minow, Chairman of the Federal Communications Commission, that the bill would open up great new opportunities for local television—particularly local educational television. He has explained that we now have 1 544 ultra-high-frequency stations in the United States, and that only 103 UHF stations are now on the air. In other words, we are using only 7 percent of the potential UHF assignments we have in this Nation.

Why such hesitant use of a great resource? One of the major reasons is simply that our present television receivers are not, for the most part, equipped to receive UHF stations. As a matter of fact only 6 percent of the sets made in 1961 could receive UHF. And yet, as we are assured by Mr. Minow, all sets could receive all channels by the addition of a $25 tuner in each set. Surely this is a modest cost for an improvement that would help us develop local television offerings for local television receiving areas. At last we would no longer depend so largely on the networks for entertainment and service programs; we could hope for truly local service.

As I have said, there is a great national need for a bill that would require all new television receivers in interstate commerce to receive the full spectrum of 82 channels. You have already heard the national arguments. My purpose today is to describe the potential impact of this bill in my own home State. New

Jersey is worthy of such note, I believe, because it stands uniquely in need of such a bill. Its present situation is practically a case study of the need for this bill.

At the moment, New Jersey has not one single channel it can call its own. Fortunately, channel 13 will return to the air this fall under the sponsorship of the Educational Television for the Metropolitan Area, Inc. According to terms of the agreement, New Jersey issues will receive an appropriate share of air time. But important as this single project is, it can serve only some of the needs of a great State.

At present, New Jersey is served only by channels of Philadelphia and New York City. Programers for these channels often have presented public service programs of great interest to New Jersey listeners. But, in serving the needs of two great metropolitan areas, often they must overlook or give limited time to local issues and local educational needs.

This fact has already been clearly realized in the Garden State. The New Jersey Educational Television Corp. has already prepared plans for the establishment of an interconnected network of four high-power UHF educational television stations, plus four translator or satellite stations. Educational television coverage would thus be assured for New Jersey. In addition, the New Jersey Television Broadcasting Corp. has filed an application with the FCC for an UHF station to broadcast from Newark.

Still greater impetus to these and possibly to other such efforts will be given by final State action on legislation to permit the State to take advantage of the $32 million Federal aid bill passed by Congress this year. The State senate is expected to act on the bill in the fall.

With so many plans of action afoot, it is significant that the FCC table of assignments lists 14 UHF sites in New Jersey. I will list them: Andover; Asbury Park; Atlantic City, two; Bridgeton; Camden; Freehold; Hammonton; Montclair; New Brunswick, two; Paterson; Trenton; and Wildwood. Here is a great potential for service of many kinds, but what good will these channels be without television sets that can receive them?

This is not a rhetorical question. It must be answered if States are to make the most of our new Federal aid program and if individual States like New Jersey are to make good use of proposed educational efforts. It is clear that the all-channels bill will hasten the evolution of educational television and good local commercial television. For the first time, viewers would have a real choice. They could decide to spend some time with the networks and national public service or entertainment programs. Or they could decide to give some of their attention to the more local channels. The consumer could thus decide, if only he is given the opportunity.

Mr. HRUSKA. Mr. President, it was with great interest that I listened to the discussion of the constitutionality of the measure that is before us, H.R. 8031. I have no illusions about the subject. I am sure that with the very able legal opinions rendered by John L. FitzGerald, as General Counsel of the Federal Communications Commission, and also by Byron R. White, then Deputy Attorney General, the area has been covered quite thoroughly.

I do not know that I quite agree with their conclusions. I do not know that I particularly subscribe to that kind of constitutional interpretation. The fact is, however, that the Supreme Court has spoken many times on this subject. Therefore, I suppose there is ample precedent for what Mr. FitzGerald has stated in his opinion:

> It has been sometimes said that the Congress is free to exclude from interstate commerce articles whose use has been determined to be injurious to the public health, welfare, or morals, but it seems clear that in context these terms encompass injury or hindrance to the effectation of any public policy adopted by the Congress.

When that is said, and when it is buttressed by legal precedent and opinions, I must subscribe to the view suggested by the Senator from New Hampshire that there is scarcely anything that is not impressed by commerce so it can be treated legislatively, as is sought to be done in the bill before us.

Without subscribing to the constitutional philosophy which molds these decisions, I should like to say that the constitutionality of a measure is but one thing. Whether it is good policy to broaden that category to include other goods and equipment is quite another matter.

I have concluded, and I am convinced, that it is not desirable that it be done.

The plain fact is that UHF sets are at the stage where there is no substantial market for them. Some UHF stations have tried to succeed, but they are now dark. The explanation for this condition is set forth in the majority report:

> This goal would be achieved by eliminating the basic problem which lies at the heart of the UHF-VHF dilemma—the relative scarcity of television receivers in the United States which are capable of receiving the signals of UHF stations.

So the majority of the Commerce Committee say, in effect, "Have no market. Want a law."

They want a market and they want a law to give them the market. Those are the real implications and obvious designs.

I have before me an editorial to which the Senator from New Hampshire has referred. He read a part of it, and I should like to read another paragraph. The part he read reads:

> In other words, if the law of supply and demand doesn't work as fast as Washington thinks it should, pass a law and hurry it up.

The editorial continues:

> The same argument could be applied to color TV. Set sales have been relatively slow because the cost of the sets was high, and color programing has developed gradually. Programing came along slowly because of cost and the lack of demand resulting from the scarcity of receivers.
>
> If Congress can force the manufacturers to make all-channel sets, cannot it also force them to produce color sets? And then, by law, tell the stations what programs to present? Or decree that all radio sets must be both AM and FM? By this law, if the Senate approves, Congress also, in effect, is compelling the TV viewer to buy an all-channel set whether he wants it or not.

Mr. President, we are dealing with a natural resource in this case. About a week or 10 days ago we dealt with another kind of natural resource, namely, the products of our great wheatfields. In my part of the country we raise a great deal of wheat. Much of that wheat is placed in storage in Texas and elsewhere. It is wheat that we do not use. It is wheat for which we cannot find a market.

Shall we say, "Have no market. Want a law?"

It is probably true that people prefer a loaf of bread that weighs 16 ounces. In some States there is a law which provides that a loaf of bread must weigh at least 1 full pound. We might propose a law which, in the interest of a great natural resource, however, would provide that a loaf of bread shall not weigh less than 2 pounds, and by that means increase the consumption of bread.

I subscribe to the classic idea that one can lead a horse to water, but one cannot make the horse drink. I also subscribe to the idea that we can offer a customer an all-channel TV set, but we cannot make him buy it.

I suppose we could force the baking of a 2-pound loaf of bread, but of course we would not compel its purchase by the public.

Why not? The language of the legal opinion to which I have referred, only states that Congress has a right to "exclude from interstate commerce articles whose use has been determined to be injurious to the public health, welfare, or morals."

Therefore Congress could recite that it is our policy to induce greater consumption of wheat products; hence bread will hereafter be made in 2-pound loaves. But this still would not necessarily sell more bread.

Perhaps someone will suggest that this is a farfetched or facetious argument.

The fact is that we have a situation which some people think requires expedient treatment. They cannot wait for the Nation to go forward in an orderly fashion. Expediency must be resorted to. Hence the proposal of the kind that is before us now, reflecting as it does the grievous doctrine that governments know better than the consumer does what is good for him and what he ought to have. The dictates of the market are discarded and the traditional methods for fashioning consumer goods are rashly abandoned.

Out in our areas of the Middle West, I know it to be true that, regardless of the number of UHF and VHF stations, there will be literally millions of users who will not be able to enjoy a UHF set. That is the plain fact. It cannot be denied. For those who can use such a set, there will be a choice. For many others there will be no choice. Their decision will be made for them. And they will have to help finance the economic success of the UHF sets. They will have to pay anywhere from $12.95 up to $50 or $60, depending upon the elaborateness of the original set to which the converter

is added, or depending upon the set that they bought with the UHF and VHF reception facilities.

That is at the bottom of the proposition. Many thousands of people in Nebraska, which I have the privilege to represent, will find themselves in this situation if and when the bill becomes law.

Inasmuch as a yea-and-nay vote has not been asked for, I should like to say for the record—not only for this time and for the people whom I represent, but also as a future reference—that a danger flag ought to be attached to this legislation as there is a definite possibility that we shall be confronted with another bill, of which it will be said, "Yes, but this relates to a natural resource. This is different. It will confer great benefits; therefore it should be passed."

So we will continue to invade further the realm to which the Senator from New Hampshire has so eloquently referred, and which I have tried to describe in my own remarks.

Mr. COTTON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. COTTON. I compliment the Senator upon his statement. I should like to ask him a question. I have great respect for the Senator's legal ability and experience.

Is it not true that the decisions of the Supreme Court have now gone so far as to hold, with respect to the interstate commerce clause, that Congress can enact almost anything it desires to enact, as a matter of public policy; and that the only place now where the rights of an individual can be protected is in this Chamber and in the Chamber of the other body? It is no longer true that rights can be protected in the courts, as against congressional action.

Mr. HRUSKA. There is no question that that is so. The only protection a citizen has against ill-considered action of this kind lies in the exercise of self-restraint on the part of Congress.

The Senator may remember, in the consideration of amendments to the Minimum Wage Act, a discussion about a bootblack in a hotel located in my home city, who was held to be engaged, by definition, in interstate commerce. Why? Because the shoe polish which he used was manufactured in Indiana or Ohio. Because the bootblack used that shoe polish, he was engaged in interstate commerce, although the person who wore the shoes might not cross the State line, by any stretch of the imagination, until long after the shoe polish had worn off.

Even if the shoe polish happened to have been made in Nebraska, the bootblack would still have been engaged in interstate commerce because the cloth with which he polished the shoes might have been made in Alabama or South Carolina, or perhaps in the State of my very gracious and congenial friend from Rhode Island [Mr. PASTORE].

So the Senator from New Hampshire is correct. This is the one forum in which such protection can be afforded to citizens who find themselves in such a position.

Mr. President, I yield the floor.

Mr. DIRKSEN. Mr. President, apropos of what the distinguished Senator from Nebraska has said, there is on record an interesting case under the Fair Labor Standards Act with respect to a building in Philadelphia in which were employed quite a number of garment workers and garment makers whose products entered interstate commerce. The question was whether the charwomen who worked in that building would also be considered, by virtue of the operations in progress there under the Fair Labor Standards Act, as being a part of the stream of commerce. In my judgment, the reasoning in that case, both in the Federal district court and in the Circuit Court of Appeals, was one of the most tortuous and amazing pieces of circumlocution I have ever read.

I think of one other case. The Wrightwood Dairy, a small dairy in northern Illinois, never bought or sold a pint of milk in interstate commerce and resisted the agricultural marketing order, but the court held that the milk which that dairy bought and sold might possibly enter the stream of commerce and therefore become competitive with other milk which might have, conceivably, come from Indiana or Wisconsin. Therefore, because that milk might enter into the stream of commerce, it was held to be in interstate commerce. Talk about twisted reasoning: that case is in a class by itself.

But I did not rise to make those comments; I rose to offer the amendment which I now submit.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill add the following new section:

SEC. 3. Paragraph (c) of section 303 of the Communications Act of 1934 is amended by inserting immediately before the semicolon at the end thereof the following: ", but nothing in this Act shall authorize the Commission to substitute an assignment outside the frequency band between 54 megacycles and 216 megacycles for one within such band in any community or otherwise to delete an assignment made within such band on or prior to September 1, 1961 to any community if the purpose of such change is to limit such community to assignments of television frequencies outside such band".

Amend the title so as to read: "An Act to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus, to place certain limitations on the authority of the Commission to delete previously assigned VHF television channels, and for other purposes."

Mr. DIRKSEN. Mr. President, I should say, in all frankness, that I am never happy about the thesis of the approach in a bill of this kind, but I am familiar with all the circumstances which gave rise finally to the bill. In pursuance of what basis I had, I went before the committee and testified.

As everyone knows, there was a problem in the field of deintermixture. Frankly, it involved two major television stations in Illinois and one immediately across the line in Wisconsin. Obviously, I had an interest in the situation.

In the case of the station at Champaign, Ill., it would appear that if it were deintermixed, probably an estimated 600,000 persons would have been left in a very cloudy area and would not have received the kind of television signal to which they were entitled. So out of those many circumstances finally came a bill which passed the House by a substantial majority.

The amendment I offer would prohibit the Federal Communications Commission from putting into effect any program for the deintermixture of television stations without the express and affirmative consent of Congress. This would be done by prohibiting deintermixture and requiring a future amendment to the law if any deintermixture were to be put into effect. This involves the question of policy. Obviously, Congress has an interest in the situation. If it were not so, then perhaps the creature, namely, the FCC, would become the creature in power, and therefore its creator.

There would be a situation not unlike that which was set up by George Bernard Shaw in his celebrated play "Pygmalion," in which the creature transcended its power and influence, and therefore becomes the creative hand itself.

The basic issue is this: Whether all-channel television legislation would advance the public interest or not depends upon the purpose of the legislation and the use to which it is put.

The bill will be beneficial to the public if its purpose and use is to expand the television service available to the American public by increasing the use of the UHF band without in any way impairing the service rendered by stations using the VHF band.

I should say, in that connection, since we are dealing with the band and the spectrum through which this medium will probably be used, that a Federal interest attaches to the bill and might influence its future.

There is another side to the coin: The proposed legislation would be contrary to the public interest if its purpose or use were to shift VHF television stations to the UHF band.

This puts the question of deintermixture squarely before us, and we cannot properly act on the legislation without considering it. Mr. President, as everyone knows, "deintermixture" is a polysyllabic term referring to the substitution of ultrahigh frequency or UHF channels for very high frequency or VHF channels in selected communities, for the purpose of creating islands of UHF amid the nationwide VHF television service.

If the American people are to get the greatest possible service out of the Nation's television system, they must have both VHF and UHF, side-by-side throughout the country—not deintermixture.

Yet the Federal Communications Commission itself initially injected the deintermixture idea into the all-channel set legislation last summer when, in docket No. 14229, it referred to this leg-

islation as a means of "mitigating" the effect of a shift to all-UHF operations in part or all of the Nation.

Deintermixture is objectionable because it results in a reduction of TV service. For instance, as I indicated before the committee, proposals to delete a VHF channel from Champaign, Ill., and substitute a UHF channel would deprive an estimated 600,000 persons of the television service which they now enjoy.

For these reasons, there is no need to beat around the bush, or to try to evade the issue. My amendment will make the purpose and the intent of the legislation crystal clear. It would prohibit deintermixture and insure the VHF–UHF, side-by-side approach which will assure the greatest amount of television service to the Nation.

Let me clarify what the amendment would not do. It would not stop the FCC from taking a VHF channel away from one licensee and giving it to another in the same community if such a move would be in the public interest. It would not stop the Commission from moving a station from one community to another. It would not stop the Commission from adding a new VHF channel to a community.

So, Mr. President, while the amendment would restrict the power of the FCC, the restriction would be extremely narrow in application. It would neither make the FCC powerless in allocating frequencies nor put the Congress in the business of assigning frequencies.

There is nothing unusual or inappropriate about the amendment. The FCC is the delegate of the Congress in broadcasting matters, and the Congress is free to direct the FCC to do this, or not to do that. And Congress has already done this in a number of instances. It has told the Commission not to license aliens; and by resolution, not by law, it even has told the Commission not to permit radio stations to use more than 50,000 watts of power. Complete instructions from the Congress are especially appropriate in the case of this legislation, because it cannot be adequately considered without facing up to the question of deintermixture.

Therefore, the amendment simply seeks to protect the public against the loss of television service which deintermixture would inevitably bring. I hope the amendment will be adopted.

Mr. President, that is the whole story. This is a case of making the legislative record and setting down in the law itself a restriction, so that this very difficult and baffling problem will not be recurring from time to time; but if it does, then nothing will be done about it until the Congress has affirmatively expressed its views on the subject.

Mr. PASTORE. Mr. President, the problem which has been raised by the distinguished minority leader is one which caused the committee considerable difficulty at the time when it was considering this measure. As a matter of fact, three or four Members of the House of Representatives, as well as the distinguished minority leader of the Senate, appeared before our committee; and, as I recall, at one time I said to the members of the committee that this was one phase of the bill which might imperil the passage of the bill, if we did not do something about it. It gave us a great amount of concern; and we did not want this to be a "foot in the door" to promote a policy of intermixture or deintermixture, whatever the case might be. As a matter of fact, the same problem was raised before the House of Representatives.

Finally, by the action of the Commission, with the exception of one member, I believe, Mr. Lee, the Commission assured us; and this is the Commission's policy in regard to deintermixture. It is set forth in its letter dated March 16, 1962. I shall not read the entire letter, because it is quite long; but it is on the point I am making, and I ask unanimous consent that the entire letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., March 16, 1962.

Hon. JOHN O. PASTORE,
Chairman, Subcommittee on Communications, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: During the hearings before your committee, you raised the question of the relationship between this legislation and the Commission proceedings proposing to deintermix areas to all UHF. Following our hearings before your committee we testified before the House Commerce Committee. During the House hearings Chairman HARRIS asked us for written responses to four specific questions. It was agreed that the Commission would supply its answers within a week after the House hearings closed. This time ends today and we have sent to Chairman HARRIS our response.

The Commission's judgment (Commissioner Lee dissenting) is that if the all-channel receiver TV legislation is enacted by this Congress, it would be inappropriate, in the light of this important new development, to proceed with the eight deintermixture proceedings initiated on July 27, 1961, and that, on the contrary, a sufficient period of time should be allowed to indicate whether the all-channel receiver authority would in fact achieve the Commission's overall allocations goals. We have reached this judgment on the basis of a number of considerations.

As we made clear in our testimony, we do not conceive of selective deintermixture as a general or long-range solution for the television allocations problem. Rather, we believe that we will need a system using both UHF and VHF channels, and that all-channel receiver legislation is the basic and essential key to that long-range goal. For with this legislation, time would begin to run in favor of UHF development. The UHF operator (both commercial and educational) could look forward to UHF receiver saturation not only in his home city but in the surrounding rural area as well, and could expect improvement in the quality of the UHF portion of the receivers in the hands of the public. With increased use of UHF, and increased incentive for both equipment manufacturers and station operators to exploit its maximum potential, there is reason to believe that several of the problems which presently restrict the coverage of UHF stations would be overcome. In short, as we stated in our notice of proposed rulemaking in docket No. 14229, the all-channel receiver is "critically important" because it is directed squarely to "the root problem of receiver incompatibility." It is our hope and belief that the achievement of set compatibility will make possible a satisfactory system of intermixed assignments, and immeasurably promote educational TV. It will enhance the development of three fully competitive network services and perhaps eventually of still further network service. These, then, are the reasons for our judgment on this important matter.

The Commission has made the further judgment that any agency moratorium on deintermixture to all UHF would not be applicable to the deintermixture proceedings in (1) Springfield, Ill. (docket No. 14267), (2) Peoria, Ill. (docket No. 11749), (3) Bakersfield, Calif. (docket No. 13608), and (4) Evansville, Ind. (docket No. 11757). The reasons for this judgment are set out in the attached appendix.

Finally, the Commission considered the proposal of a statutory prohibition against any Commission deintermixture action (to all UHF) which would continue until ended by action of both Houses of Congress. The Commission does not favor this approach. For, it means, in effect, that if the all-channel legislation proves inadequate, and the Commission feels that some form of deintermixture is desirable in order to achieve the purposes of the Communications Act (e.g., sec. 1, 303(g)), it would have to seek the equivalent of an amendment to the act. In our opinion, such a statutory scheme would render administrative policy inflexible and ineffective. We strongly urge that the Commission not be deprived, in this area, of the broad discretion which Congress gave it to meet changing problems and circumstances. We believe that there is no reason for not following the established policy of over a quarter of a century of permitting Commission action under the public interest standard, subject to congressional and judicial review.

By direction of the Commission.[1]
NEWTON N. MINOW, *Chairman.*

APPLICABILITY OF ANY DEINTERMIXTURE MORATORIUM TO THE SPRINGFIELD, ILL., PEORIA, BAKERSFIELD, AND EVANSVILLE DEINTERMIXTURE PROCEEDINGS

This appendix deals with the applicability of any moratorium on Commission deintermixture action (to all-UHF operation) to the deintermixture proceedings in (1) Springfield, Ill. (docket No. 14267), (2) Peoria, Ill. (docket No. 11749), (3) Bakersfield, Calif. (docket No. 13608), and (4) Evansville, Ind. (docket No. 11757). For reasons developed within, the Commission believes that any such moratorium should be inapplicable to these proceedings.

1. Springfield, Ill., deintermixture proceeding (docket No. 14267): On March 1, 1957, the Commission issued an order in the rulemaking proceeding in docket No. 11747, which removed channel 2 from Springfield, Ill., and added it at St. Louis, Mo., and Terre Haute, Ind., and further assigned UHF channels 26 and 36 to Springfield (22 F.C.C. 318). The Commission's order also modified the existing authority of Signal Hill Telecasting Corp., the then licensee of channel 36 in St. Louis, to provide for temporary operation on channel 2. This order was affirmed by the court of appeals (*Sangamon Valley Television Corp.* v. *U.S.*, 255 F. 2d 191 (C.A.D.C.)), but the Supreme Court remanded the case to the court of appeals for consideration of certain ex parte activities which had occurred during the rulemaking proceeding before the

[1] Because of his former connection (prior to nomination as Commissioner) as engineering consultant in regard to the deintermixture of Springfield and Peoria, Ill., Commissioner T. A. M. Craven did not participate in the consideration of the Commission's comments in this letter with respect to those areas. Otherwise, Commissioner Craven concurs with the views of the Commission majority.

Commission (356 U.S. 49). The court of appeals remanded the case to the Commission for a determination of the nature and source of all ex parte pleas (269 F. 2d 221). The Commission, after ascertaining such pleas, proposed to give interested parties an opportunity to respond to them but not to comment on matters occurring subsequent to March 1, 1957.

On appeal, the Department of Justice took issue with this latter ruling, urging that the Commission must consider post-1957 facts "if it is to reach a proper rulemaking decision as to where the VHF channel 2 should be allocated for the future" (brief, p. 8). The Commission, in its brief, pointed out that "consideration of subsequent events might well have to include existing service to the public in St. Louis * * *" (p. 18). The court agreed with the Department and ordered the Commission "to conduct an entirely new proceeding," based on the facts as they now exist; it further stated that the existing service on channel 2 in St. Louis may be continued by the Commission during this new proceeding (294 F. 2d 742). On September 7, 1961, the Commission instituted the new proceeding (docket 14267).

We have set out this lengthy history to show that the Springfield, Ill., deintermixture proceeding does not stand on the same footing as the eight deintermixture proceedings initiated last July. If a general moratorium prevents deintermixture in these proceedings, it rightly or wrongly maintains the status quo in these areas. But a moratorium precluding deintermixture in Springfield would, as a practical matter, upset the status quo. For, as the court recognized, the facts are that since 1957 Springfield has been all UHF and channel 2 has been serving the St. Louis area. Without any consideration of the merits of the matter, the moratorium thus would automatically withdraw channel 2 from service in St. Louis (and from assignment to Terre Haute where, however, it has been the subject of a comparative hearing) and call for VHF operation in Springfield. We think that such an automatic application of a general moratorium is unsound and that the matter rather should be left to the Commission's judgment. And see section 402(h), Communications Act. It may be that in spite of the dislocation we have described, the Commission might conclude in docket 14267 that the public interest would not be served by ordering deintermixture of Springfield. But certainly that decision is one calling for a judgment on the basis of all the public interest factors—and not for automatic application of any general deintermixture moratorium. This conclusion is buttressed by the domino effect of a moratorium precluding deintermixture of Springfield on the Peoria, Ill., deintermixture case, to which we now turn.

2. Peoria, Ill., deintermixture case (docket No. 11749). The Commission in a report and order issued March 1, 1957, deintermixed the Peoria area, substituting a UHF channel for channel 8 which was reassigned to the Davenport-Rock Island-Moline metropolitan area in order to afford "a third VHF outlet in this major market" (docket 11749, 22 F.C.C. 342).[1] On appeal, the court of appeals affirmed the Commission's order (*WIRL Television Co.* v. *U.S.*, 253 F. 2d 863 (C.A.D.C.)); the case was, however, subsequently remanded to the Commission, not because of any error or because of ex parte factors, but because the Commission's decision was geared, to some extent, to the Springfield deintermixture proceeding[2] and accordingly might be affected by a different decision in that proceeding. Since the Commission is to reconsider the Springfield matter, the rulemaking with respect to Peoria also was remanded to the Commission, so that it could be reconsidered, if necessary, in the light of the new Springfield decision. (See *WIRL Television Co.* v. *U.S.*, 274 F. 2d 83 (C.A.D.C.).)

This means that if a general moratorium causes the Commission to reject deintermixture of Springfield, the Peoria deintermixture action would have to be reconsidered in the light of this new factor. But the same moratorium would prevent the Commission from reevaluating and making a new judgment as to whether Peoria should be deintermixed. The actual status quo in Peoria would thus be disturbed without any consideration of the merits of the case. It may be that it should be so disturbed. But it may also be that the Commission would not regard a reversal of the Springfield picture—referred to only in a footnote in the Commission's Peoria decision (see footnote 2, supra)—as requiring a different result. Here again, the matter is obviously one for judgment—not rigidity.

3. Bakersfield, Calif. (docket No. 13608): On March 27, 1961, the Commission issued an order deintermixing Bakersfield by substituting UHF 23 channel for channel 10, effective December 1, 1962, or such earlier date as station KERO–TV may cease operation on channel 10 at Bakersfield (21 Pike & Fischer, R.R. 1549). This is final Commission action, with only "formal codification to be accomplished by subsequent order" (21 Pike & Fischer, R.R. 1573). As such, it is appealable and now pending before the court of appeals (*Transcontinent Television Corp.* v. *U.S.*, Case No. 16,541, C.A.D.C.). Obviously, any moratorium on deintermixture would and should be inapplicable to this final Commission action.

If, however, the case were remanded to the Commission for any reason, the question would arise whether Commission reconsideration should be precluded by a general moratorium. We believe that it should not. For, reconsideration in such circumstances stands on a different ground than a new proposal for deintermixture in some area. (Cf. Sec. 402(h) of the act.) Even more important, a moratorium affecting Bakersfield would leave Commission action in this general area (the San Joaquin Valley) in the state of being half complete, half incomplete, and would have seriously adverse consequences on the development of television in the San Joaquin Valley and particularly in the Fresno area. In Fresno, deintermixture action by the Commission is complete, and Fresno station KFRE–TV has shifted from operation on VHF channel 12 to UHF operation. (See FCC 60–814, 60–279.) One of the important aims in the Bakersfield case was to complement the Fresno action. As the Commission stated (21 Pike & Fischer, R.R. at pp. 1554–1556):

"7. The potential for the growth and development of multiple-effective local outlets and services in the San Joaquin Valley would be much greater if all television assignments at Bakersfield were in the UHF band. With Bakersfield and Fresno, the two largest expanding population centers of the valley located about 105 miles from each other, and with their trading and market areas extending into the valley between them, where also are located a number of smaller cities where the chances for the establishment of local television outlets are promising, it is inevitable, under the favorable terrain and propagation conditions in the valley, that there is and will be an overlapping of services and a sharing of a common audience by all stations operating at Fresno and Bakersfield or in cities between them. It has been demonstrated that the relatively flat valley floor presents unusually favorable conditions for propagation of television signals. Marietta itself pointed out in comments filed in docket No. 11759 that the 'unique character of the extremely flat and quite treeless San Joaquin Valley, which permits signals to be rolled down the corridor from Bakersfield toward Fresno and from Fresno toward Bakersfield in the manner of a bowling ball, exceeding substantially the normal propagation distances in other areas, is a phenomenon which cannot be ignored.' By virtue of these circumstances, it is essential, we believe, that we make conditions conducive throughout the valley for the growth and successful operation of local outlets by providing an equal opportunity for all valley stations to compete effectively with compatible facilities.

* * * * *

"10. With our action removing VHF channel 12 from Fresno and shifting station KFRE–TV on that channel to UHF operation, all television assignments and stations in the valley are now in the UHF band with the exception of station KERO–TV on channel 10 at Bakersfield. At the present time only three stations are operating at Fresno and three at Bakersfield, but there is demand and promise that additional outlets will soon be established at Fresno, and at Tulare, Visalia, and Hanford, which are located in the valley between Fresno and Bakersfield. [Footnote omitted.] The predicted grade B signal of the VHF channel 10 station at Bakersfield (KERO–TV) extends well beyond Tulare, Visalia, and Hanford where local UHF stations are now contemplated, penetrates the service areas of the Fresno UHF stations, and reaches to within 23 miles of Fresno. There can be no doubt, however, that under the excellent propagation conditions in the valley, its signal penetrates even farther north in the valley. The Nielsen coverage survey for the spring of 1958 indicates that station KERO–TV at Bakersfield reaches and is listened to in homes in Madera County, which is north of Fresno County and principally served by Fresno stations. The 1960 American Research Bureau, Inc., television coverage study of California counties and stations indicates that about 96 percent of the television homes in both Tulare and Kings Counties (Tulare and Visalia are in Tulare County and Hanford in Kings County) and about 58 percent of the TV homes in Fresno County are able to receive station KERO–TV and that station KERO–TV's net weekly circulation (number of TV homes viewing station KERO–TV at least once a week) in Tulare County is about 93 percent, in Kings County about 83 percent, and in Fresno County about 30 percent.

"11. Although our removal of the single VHF outlet at Fresno puts all Fresno stations on a comparable competitive footing which we believe will increase the potential for the growth of healthy competitive services in the Fresno area, we cannot agree with Marietta that deintermixture of the Fresno market can be fully effective notwithstanding its VHF station at Bakersfield. With a VHF outlet

[1] This channel assignment to Davenport-Rock Island-Moline has been the subject of a comparative hearing, which is not yet completed; instructions as to the final decision were announced on June 29, 1961, Community Telecasting Corp., docket No. 12501.

[2] In a footnote in the Peoria report, the Commission stated (22 F.C.C. at 352, n. 15): "Our action herein, moreover, comports with our decision in the Springfield deintermixture proceeding (docket No. 11747). In that case we have concluded that the public interest would be served by deleting channel 2 from Springfield. A station on this frequency in Springfield would have provided VHF service to parts of the service areas of the UHF stations in Peoria; and conversely, a station on channel 8 in Peoria would provide VHF service to portions of the area that will be served by UHF stations in the Springfield-Decatur area, which the Commission believes should be all UHF."

at Fresno no longer dominating the Fresno market, there is considerable merit, we believe, to the claim of proponents for UHF deintermixture of Bakersfield that station KERO–TV, as the only VHF station in the valley, would be in a position of conspicuous and unjustifiable dominance over all the competing UHF stations in the valley. This factor and the extent to which station KERO–TV's signal now penetrates beyond cities between Bakersfield and Fresno where the establishment of additional local UHF outlets is the most promising and into the service areas of the Fresno stations convincingly indicate that the presence of this VHF station in the adjacent Bakersfield market constitutes a significant deterrent to effective and comparable UHF competition in the Fresno market area and to the establishment of effective and beneficial new services, particularly in the smaller cities of the valley. The deterrent would be compounded if Bakersfield were made principally all VHF by the addition of two more VHF outlets, as Marietta suggests, and three Bakersfield VHF stations were to provide service in this now all-UHF area. Complete deintermixture of the entire San Joaquin Valley to UHF is, in our judgment, required for full development and expansion of effective competitive television service throughout the valley."

On this ground also, therefore, Bakersfield should not come within any general deintermixture moratorium but rather should be left to Commission judgment, in the event that reconsideration is called for at some future date.

4. The Evansville deintermixture proceeding (docket No. 11757): On March 1, 1957, the Commission issued a report stating its "judgment that amendment of the table of assignments for television broadcast stations (sec. 3.606(b) of the Commission's rules) by shifting channel 7 from Evansville, Ind., to Louisville, Ky.; assigning channel 31 to Evansville; substituting channel 78 for channel 31 in Tell City, Ind.; shifting channel 9 from Hatfield, Ind., to Evansville where the channel is to be reserved for noncommercial educational use; and by unreserving channel 56 and shifting it from Evansville to Owensboro, Ky., would promote the public interest, convenience, and necessity." The Commission effected the changes as to channel 9 but not those involving channel 7. Because there was an outstanding authorization for operation of station WTVW on channel 7 in Evansville, the Commission instituted show-cause proceedings to modify station WTVW's permit to specify operation on channel 31.

The Commission's action shifting channel 9 from Hatfield to Evansville (for noncommercial educational use) was sustained upon review in court (*Owensboro-on-the-Air, Inc.* v. *U.S.*, 262 F. 2d 702 (C.A.D.C.)). As to the show-cause proceeding, the examiner on July 20, 1961, issued an initial decision recommending that channel 7 be deleted from Evansville and reassigned to Louisville and that WVTW's permit be modified to specify operation on UHF channel 31 (FCC 61D–113). Oral argument on the exceptions to the initial decision will be heard by the Commission on March 29.

Again, we think it apparent that no general moratorium should be applicable to the Evansville area situation. Half the Commission's action in this area is final (i.e., shifting channel 9 to noncommercial operation); the other half—whether channel 7 should be shifted to Louisville to complete the deintermixture of the area and provide Louisville with a third VHF facility—is nearing final decision after a lengthy adjudicatory proceeding. Clearly the judgment as to whether the public interest would be served by such action should be made by the Commission upon the basis of the voluminous adjudicatory record compiled—and not by automatic application of a general moratorium.

Significantly, Senator CAPEHART, who opposed deintermixture of Evansville in testimony given before the examiner (par. 95, initial decision, FCC 61D–113), concurs in this conclusion. For, while supporting the provision of H.R. 9267 (the Roberts bill) precluding Commission deintermixture, he further stated:

"So that there can be no misunderstanding. I do not take this position in connection with any case that is under adjudication before the FCC. Specifically, my views do not apply to the situation in Evansville where channel 7 has been earmarked for a move for a very long time. The legislative decision in this case was made some years ago. What concerns me is future legislation, or rulemaking, decisions. I think it is proper for me to express my views on such matters, while I should be reluctant to do so as to cases under adjudication" (statement before Subcommittee on Communications, Senate Commerce Committee).

Mr. PASTORE. Mr. President, the letter was written to me, and it was concurred in by Commissioners Minow, Hyde, Bartley, Craven, Ford, and Cross.

I read now from the committee's report:

In that letter the Commission represented its judgment that a combined VHF–UHF system is needed; that if all-channel receiver legislation is enacted by this Congress the Commission would not proceed with the eight deintermixture proceedings initiated by it on July 27, 1961; and that a sufficient period of time should be allowed to indicate whether the all-channel television receiver legislation would, in fact, achieve the Commission's overall allocations goal of a satisfactory system of intermixed UHF–VHF assignments.

The following is the important point, and I should like to call it particularly to the attention of all Members of the Senate:

The FCC also represented that it would make periodic reports to Congress and that before it undertook any further action with respect to deintermixture, it would advise the Congress of its plan and give the committees of Congress an appropriate period of time to consider such plans.

In view of that assurance, the committee wrote this right into the report:

Your committee considers these representations by the Commission to be of paramount importance and has taken action on this legislation in specific reliance on them.

Mr. President, knowing the Senator from Illinois, the distinguished minority leader, as well as I do, I know that he would ask the question, "If it is all right to put that into the report, why not put it into the law?" That is a logical question, and I put that question up to the Commission. Its answer was that that might be a little too restrictive, that it is difficult to state what isolated situation might arise in the future, and that the Commission should not be too much shackled.

In view of the report, which was made not only to the Senate, but also to the House of Representatives, I believe we have here sufficient assurances upon which we can rely.

I understand the problem confronting the Senator from Illinois. I hope the Commission would never attempt to violate this assurance which it gave us; and I respectfully ask the Senator from Illinois not to press for the adoption of his amendment at this time.

Mr. DIRKSEN. Mr. President, if it were given to me, I certainly would fashion some language, directed to the Commission, couched in terms different from that which came to the Commission from the House of Representatives, because I would not permit the creature to tell the creator of the Commission what it could do, and make it a contingency, so to speak; for, when all is said and done, the affirmative action should be taken on this side—in the National Legislature.

But I say to the distinguished Senator from Rhode Island that, on the basis of these assurances, I shall withdraw the amendment—much as I would prefer to see this nailed down in the law. But I shall do so on a sort of probationary basis: I shall see what will happen, and then shall go back to this day, in the RECORD—which will be easy to remember, because this is June 14, Flag Day; and 185 years ago today the Congress passed a resolution prescribing the general character of the flag which is our national symbol.

So I can easily pick out the CONGRESSIONAL RECORD for June 14, 1962, and can say, "Let us go back and see what the CONGRESSIONAL RECORD says," if the Commission is going to bring up, willy-nilly, this business of deintermixture and make it applicable.

The Senator from Rhode Island knows that when I appeared at the committee hearing, I said that any such legislation should contain a grandfather clause. If a television station invests $1 million or $2 million in providing the best programs, and if then by arbitrary action a commission created by the Congress were permitted to reach into the entire spectrum and to pick out nine channels, and to say, "We are going to convert you from these to those," and thus suddenly wipe out that great investment, surely that would be about as great an amount of confiscation as one could ever see.

So on this assurance I shall withdraw the amendment now but I am going to watch this performance under the rulemaking power. This will not be the last chapter that will be written in the field, unless I miss my guess, and we should get from the Commission some better estimate and better idea of how to handle this problem.

Mr. PASTORE. Mr. President, I assure the Senator from Illinois that he will find the Senator from Rhode Island by his side in watching this development with much jealousness. I shall not only remember this day as Flag Day, but as the Thursday before Father's Day in the year 1962. [Laughter.]

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8031) was read the third time and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEAVE OF ABSENCE

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin [Mr. WILEY] be excused from attendance on the Senate on Friday of this week and Monday of next week. He will be unavoidably detained.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE BRETTON WOODS AGREEMENTS ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1438, H.R. 10162.

The PRESIDING OFFICER (Mr. METCALF in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10162) to amend the Bretton Woods Agreements Act to authorize the United States to participate in loans to the International Monetary Fund to strengthen the international monetary system.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I rise to explain briefly and to support the provisions of H.R. 10162, an amendment to the Bretton Woods Agreements Act. The bill before us authorizes United States participation in a special 10-nation plan to lend additional resources totaling $6 billion to the International Monetary Fund in the event they are needed. Such need would arise only if the Fund could not otherwise meet an approved withdrawal by one of the following 10 participating members of the Fund: Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, the United Kingdom, and the United States.

Now, I shall not give a long and wearisome description of the complicated international monetary trends and factors which form the background of this legislative proposal.

I personally find it easier to gain such information from the available printed material on the subject than from listening to a speech—and I assume most of my colleagues feel the same way. Members of the Senate will find the committee report a succinct and complete summary. Should they wish highly detailed information, the Committee hearing record before them contains an exhaustive special report by the National Advisory Council on International Monetary and Financial Problems. Therefore, I shall use this occasion to emphasize certain highlights in the pending legislation.

The outstanding fact is that the United States would be the primary—though not the only—beneficiary of the 10-nation proposal which is at stake in acceptance of H.R. 10162. This point is related to the ability of member countries in balance-of-payments difficulties to exert their rights to make withdrawals from the International Monetary Fund; a member does not, of course, draw its own currency, but the convertible currencies of other nations, for the purpose of bolstering reserves and increasing confidence in its monetary position. The Fund at the beginning of this year held roughly $5 billion in U.S. dollars and in pounds sterling, which is certainly adequate to take care of any conceivable drawings by European countries. On the other hand, the Fund then had only about $1.6 billion in the convertible European currencies which this country would need should it wish to draw on the Fund. Against that figure of $1.6 billion, plus a considerably smaller amount of unencumbered Fund gold, must be set almost certain access by the United States to about $2.7 billion in drawing rights, as well as the admittedly distant possibility of a U.S. request for its full quota of $4,125 million.

Acceptance of the 10-nation plan would make available to the Fund, through special borrowing arrangements, an additional $3 billion of the kinds of currencies which the United States would require if it sought to implement its drawing rights. It should be emphasized that this country does not anticipate that it will call on the Fund. However, even if the United States did not seek to exercise those rights, the very availability of such resources would discourage speculation against the dollar of the kind that took place in the winter of 1960–61.

A second and related point that should be stressed is that the European nations in the special scheme, who are also Common Market members, together will be making a larger contribution than either the United States or the United Kingdom. The greatly increased financial strength of the continental European countries has not as yet been adequately reflected in Fund operations. Thus, they will be making available sums almost equal to their current Fund quotas, while the United States and the United Kingdom shares would be about half the size of their quotas.

The next point is that it is highly unlikely that the United States will be called upon to contribute its $2 billion share in the foreseeable future. The Fund now holds about $2.5 billion of the existing U.S. quota, so that there will be adequate amounts of dollars for Fund operations short of a dramatic overall reversal in the current free-world monetary situation. In any case, no participant in the 10-nation scheme would be expected to make resources available under the plan so long as it is experiencing balance-of-payments difficulties. These safeguards against any actual involvement of U.S. funds are likely to prove controlling for at least the initial 4-year life of the agreement.

This issue has been somewhat obscured by the method of financing U.S. participation set forth in H.R. 10162. The bill authorizes an appropriation of $2 billion to remain available until expended. Now the puzzling fact is that the Treasury, when authorized to do so, will seek, not an actual appropriation, but another authorization—to use the public debt transaction route. In other words, this body will be asked to take essentially the same action twice.

Apparently the Appropriations Committee of the House has at last succeeded in making the Treasury Department groggy with its cries of back-door, side-door, financing. For here we have back-door financing through the front door; not of the Treasury, by the way, but of the House—which has always been the real possessor of the entrances it invented for the supposed raiding parties.

Perhaps it will help clarify any confusion to reiterate the following points: First, no gold whatsoever is involved in U.S. adherence to the 10-nation plan; second, the no-year appropriation to be sought will actually be a request for borrowing authority which will not affect the current Federal budget; third, there is no likelihood that the resulting contingent obligation will become a real one so long as the United States is in balance-of-payments difficulties.

Why, then, must the United States take up a $2 billion share in the 10-nation plan if the commitment is so unlikely to involve actual expenditures? The first and most important reason is that the benefits of the plan will be confined to those nations which accept responsibility in terms of the loan schedule. Second, the other nine members would only participate on the basis of strict reciprocity; for we should remember that we are not the only country with a representative body which must justify its actions to the people. Finally, we had to make evident our readiness to assist the other participants should there be a substantial reversal in the international balance-of-payments situation at some time in the future.

The last point I want to raise is the relationship between this proposal and the Kennedy administration's overall campaign to remedy the U.S. payments deficit. The 10-nation plan neither intensifies that problem, on the one hand, nor by itself resolves it, on the other. It is only one ingredient—although an extremely significant one—in the many-faceted general effort to overcome the basic payments deficit. Whether or not that general effort is, or will be, sufficient is not the matter at issue here. The question we must answer is whether we will give the U.S. Government one clear-cut means of implementing its program to defend the dollar. It would not make sense to criticize the administration for having too few arrows in its quiver, and then to deny it the use of one of them.

In this connection, I believe that the issue is seen in proper perspective in the following excerpt from a resolution

adopted by the American Bankers Association last October:

> The Treasury and the officials of the IMF are to be commended on their efforts to find more acceptable ways to minimize pressures that result from large movements of short-term funds among world financial markets.
>
> Action along this line would be a very useful precautionary measure. A major contribution of the proposed IMF arrangement is that it would give to a country whose currency is under pressure additional time in which to make necessary adjustments in its balance-of-payments position. However, the proposal would not relieve any country, including the United States, of the need to avoid chronic deficits in its balance of payments.

Perhaps the best quick explanation of the U.S. interest and stake in the 10-nation plan was offered during the hearings by my committee colleague, the distinguished senior Senator from Indiana, in these words:

> The Treasury * * * is doing what I think I learned to do as a businessman.
>
> When I did not need the money, then is when I arranged to borrow it, and arranged for my credit, because I discovered a couple of times that I had waited too late because I really needed it and it was then awfully hard to get.

Mr. President, I will sum up by stating my conviction that this legislative proposal is one from which the United States has a great deal to gain, and one from which it is very difficult to see how this country has anything to lose. I strongly recommend that the Senate approve H.R. 10162.

Mr. President, if there are any questions about the measure which are not covered in the statement, I shall be glad to attempt to answer them.

Mr. DIRKSEN. Mr. President, at the outset there was some reservation, I think, on the part of the Senator from Delaware [Mr. WILLIAMS], which I discover, after further consultation with him, has been withdrawn. I have talked to other members of the Committee on Foreign Relations, and the bill does have their concurrence.

Mr. FULBRIGHT. The Senator is quite correct. The Senator from Delaware did have some reservations. It is my understanding he has withdrawn those reservations.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 10162) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. FULBRIGHT. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

HARVESTING OF HAY ON CONSERVATION RESERVE ACREAGE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1526, S. 3062.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3062) to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. YOUNG of North Dakota. Mr. President, when the Soil Bank Act was passed, grazing on soil bank land in case of drought or other natural disaster was permitted upon request by a Governor of any State and approval by the Secretary of Agriculture. The pending bill merely would give the same privilege with respect to cutting hay on soil bank land. It would make permanent the program passed by Congress last year, but limited to 1 year.

The bill which was passed last year, sponsored by my colleague [Mr. BURDICK] and I, was very helpful to the State of North Dakota, as well as to other States. It helped keep cattle on the land and provided vitally needed hay for livestock, and, in addition, it resulted in considerable money for the Federal Government. The payments to the Federal Government from hay, from my State alone, amounted to about $2 million.

The bill has the unanimous approval of the Senate Committee on Agriculture and Forestry and of the Secretary of Agriculture.

Mr. BURDICK. Mr. President, I rise to urge my colleagues to approve this much needed legislation. As my colleague from North Dakota has said, it would make permanent the legislation which was passed last year, which was so helpful to the drought areas of the Northwest. This year we still are experiencing some of the results and effects of the devastating drought of last year, in that pastures have been killed.

At the present time the Secretary has already designated 13 counties in our State for eligibility under the temporary legislation. I understand 17 more counties are sought to be so designated.

The proposed legislation would be beneficial. We hope it will receive the approval of this body.

Mr. YOUNG of North Dakota. Mr. President, I ask unanimous consent to have printed in the RECORD a statement explaining S. 3062 and also an excerpt from the report of the Committee on Agriculture and Forestry.

There being no objection, the statement and excerpt were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR YOUNG OF NORTH DAKOTA

Last year the Senate passed and the President signed a bill authorizing the Secretary of Agriculture to permit hay to be harvested from conservation reserve acreage where necessary to alleviate hardship caused by drought or other natural disaster. Permission could be granted only after certification of the Governor of the State of the need therefor and upon the independent determination by the Secretary of such need. This authorization was for 1 year only.

This bill, S. 3062, would make permanent the existing provision authorizing the harvesting of hay on conservation reserve acreage.

The Department of Agriculture reports that they favor the passage of this legislation because the program has been highly successful in the past year in alleviating a critical feed situation and in preventing irreparable damage to many farmers whose normal supplies of hay were severely reduced by the drought.

Grazing of conservation reserve lands is now permitted under sections 103(a)(3) and 107(a)(4) of the Soil Bank Act under conditions such as those under which hay harvesting would be permitted by the bill. The Department of Agriculture has advised the committee that downward adjustment in the conservation reserve payments have been made as a condition of granting permission for such grazing or haying in most cases. However, the Department has granted grazing privileges in flood areas for very short periods of time where such deductions are not warranted or made. The committee was advised that the Department would continue this practice under the permanent provisions of law.

This bill would make permanent the existing provision authorizing the Secretary of Agriculture to permit hay harvesting on conservation reserve acreage in certain disaster conditions. The Governor of the State in which the acreage is situated must certify the need for such harvesting, and the Secretary must determine that such harvesting is necessary to alleviate suffering caused by natural disaster, before such harvesting can be permitted.

The bill makes no other change in the existing provision, which is scheduled to expire on June 29, and which the Secretary of Agriculture has described as highly successful.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 18, 1962.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: This is in reply to your request of March 24, 1962, for a report on S. 3062, introduced jointly by Senators YOUNG and BURDICK of North Dakota, to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions. In a report on an identical bill S. 2662 submitted to you on February 21, 1962, we recommended the enactment of the proposed bill in order to make the program permanent.

We would like to reiterate our favorable position on the legislation, and point out that this has been a highly successful program in the past year in alleviating a critical feed situation and in preventing irreparable damage to many farmers whose normal supplies of hay were severely reduced by the drought.

Since the existing authority expires June 29, 1962, the bill should be passed immediately in order that farmers may have the opportunity to harvest hay in the event of a severe drought, while the quality is good.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as

reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

"SOIL BANK ACT

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than 3 years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals, *and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster* *and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster.*

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103(a)(3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

[NOTE.—Matter between asterisks is effective through June 29, 1962.]

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3062) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107(a)(3) of the Soil Bank Act is amended by changing the period at the end thereof to a comma and adding the following: "and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster."

Mr. YOUNG of North Dakota. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. BURDICK. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

ADDITIONAL FUNDS FOR THE COMMITTEE ON ARMED SERVICES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1545, Senate Resolution 345.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 345) to provide additional funds for the Committee on Armed Services.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The resolution is open to amendment. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution (S. Res. 345) was agreed to, as follows:

Resolved, That S. Res. 295, agreed to February 22, 1962, authorizing a study by the Committee on Armed Services on strategic and critical stockpiling, is amended on page 2, line 14, by striking "$30,000," and inserting in lieu thereof "$80,000."

AMENDMENT OF THE SMALL BUSINESS ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1501, S. 2970.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2970) to amend the Small Business Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with an amendment, to strike out all after the enacting clause and insert:

That subsection (c) of section 4 of the Small Business Act is amended to read as follows:

"(c) There is hereby established in the Treasury a revolving fund, referred to in this section as 'the fund', for the Administration's use in financing the functions performed under sections 7(a), 7(b), and 8(a) and under the Small Business Investment Act of 1958, as amended, including the payment of administrative expenses in connection with such functions. All repayments of loans and debentures, payments of interest, and other receipts arising out of transactions financed from the fund shall be paid into the fund. As capital thereof, appropriations not to exceed $1,450,000,000 are hereby authorized to be made to the fund, which appropriations shall remain available until expended. Not to exceed an aggregate of $1,109,000,000 shall be outstanding at any one time for the purposes enumerated in the following sections of this Act: 7(a) (relating to regular business loans), 7(b) (relating to disaster loans), and 8(a) (relating to prime contract authority). Not to exceed an aggregate of $341,000,000 shall be outstanding at any one time for the exercise of the functions of the Administration under the Small Business Investment Act of 1958, as amended. The Administration shall pay into miscellaneous receipts of the Treasury, following the close of each fiscal year, interest on the outstanding cash disbursements from the fund, at rates determined by the Secretary of the Treasury, taking into consideration the current average yields on oustanding interest-bearing marketable public debt obligations of the United States of comparable maturities as calculated for the month of June preceding such fiscal year."

Mr. PROXMIRE. Mr. President, it is my understanding that the pending bill is S. 2970; is that correct?

The PRESIDING OFFICER. The Senator from Wisconsin is correct.

Mr. PROXMIRE. Mr. President, the bill would increase by $250 million the authorization for the Small Business Administration's revolving fund, making a total authorization to the fund of $1.450 billion. The bill would increase by $16 million the funds that SBA can commit for its programs under the Small Business Investment Act of 1958. The bill also would combine the ceilings which SBA can commit under its regular business loan program and its disaster loan program. This proposed increase amounts to $234 million. The combination of these two authorizations should permit more flexibility by SBA in the operations of these two programs.

However, the regular business loan program of SBA should not be permitted to impair the authorization available for its disaster loan program. The committee was assured by Administrator John E. Horne, as set out in the committee's report:

> Because of the impossibility of forecasting the incidence or the financial impact of disasters, a token amount of $14 million customarily has been included in the budget estimate. In accordance with prudent financial management procedures, precautions are taken to assure that at least this amount is retained in the financial plan for disaster loans as long as required.

The committee believes from the Administrator's assurances that there will be adequate funds kept available for the disaster loan program.

The bill also would change the method of computing interest on the funds that SBA receives from Treasury for SBA's various lending programs. The bill would provide that the Secretary of the Treasury, in June of each year, should set the rate, or rates, to be charged the Small Business Administration for all disbursements made by the Small Business Administration during the suc-

ceeding fiscal year. These rates would remain applicable to such disbursements, regardless of any subsequent fluctuations in the borrowing costs of the Government, until the money is returned to the Treasury.

The present law provides that the Secretary of the Treasury compute each year a rate applicable to all outstanding cash disbursements made by the Small Business Administration regardless of the year in which the disbursements were made. Since fiscal year 1961, a weighted average interest rate taking into consideration prior yearly rates has been in effect.

I ask unanimous consent to have inserted in the RECORD at this time a computation, requested by the committee from the SBA, which shows the difference in amount of interest payments to the Treasury Department by the Small Business Administration under present law compared with the payments which would have been made if the interest payments had been computed under the provisions of this bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Statement of interest payments to the Treasury Department, compared with interest computed per S. 2970, fiscal years 1958–61

[In thousands]

Fiscal year	Actual interest cost	Interest computed per S. 2970
1958	[1] $6,649	$2,606
1959	[1] 6,294	7,246
1960	[1] 14,875	10,606
1961	[2] 14,248	14,093
Total	42,066	34,551

[1] Through the fiscal year 1960, interest was computed each year at the current fiscal year rate on all outstanding disbursements regardless of the year in which such disbursements were made.

[2] Fiscal year 1961 was the 1st year in which the weighted average rate was developed by the Treasury Department.

Mr. PROXMIRE. Mr. President, it should be noted that in fiscal year 1961, the year in which the weighted average rate figure was used, the percentage of difference between the two figures is very small. This change has the support of the Treasury Department. It is a matter of more efficient administration and should benefit both SBA and Treasury.

There are other technical amendments in the bill which would clarify section 4(c) of the Small Business Act.

Mr. President, I happen to be the chairman of the Subcommittee on Small Business of the Committee on Banking and Currency. In that capacity I reported the bill.

I was overruled by a majority of the members of the Committee on Banking and Currency as to the size of the authorization. I feel very strongly about the size of the authorized program. I think the authorization is too large. It exceeds the recommendation of the Bureau of the Budget. Therefore, I shall offer an amendment to the committee substitute, to reduce the authorization to the level recommended by the Bureau of the Budget. At this time I offer the amendment.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Illinois.

Mr. DIRKSEN. Is it the purpose of the amendment to the committee substitute to reduce the authorization from $1,450 million to $1,109 million, with respect to the amount outstanding at any one time?

The PRESIDING OFFICER. The proposed amendment to the committee substitute amendment will be stated for the information of the Senate.

Mr. PROXMIRE. Before the clerk states the amendment, I wish to say that what I would do is merely to reduce the authorization by $24 million. Only $24 million is involved. This would reduce the authorization to the level requested by the Bureau of the Budget for 1 year.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin to the committee substitute amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 1, it is proposed to strike out "$1,450,000,000" and to insert in lieu thereof "$1,426,000,000".

On page 3, line 4, it is proposed to strike out "$1,109,000,000" and to insert in lieu thereof "$1,085,000,000".

Mr. PROXMIRE. Mr. President, I feel strongly that the $24 million increase over the budget request for fiscal year 1963 is not justified.

I should explain that initially the Small Business Administration requested the elimination of the authorization ceiling altogether. This request was supported by the Bureau of the Budget. The committee did not think that action was justified.

The SBA then suggested that the committee might see fit to provide an authorization not for 1 year but for 4 years, to go as high as $2.6 billion. The committee thought this amount was excessive, and that it would prevent the committee from exercising a legislative oversight which, in the judgment of the majority of the members of the committee, should be exercised through a review of the authorizations for the Small Business Administration each year.

The general feeling of the committee was that the authorization should be limited to 1 year, and that the $226 million requested for 1 year should be rounded off, through an increase, to $250 million.

Mr. President, I oppose that action because I think the increase that was requested by the Budget Bureau and by the SBA is very large. It is more than adequate to meet the projected increase in loans for next year. It is even more adequate in view of the fact that what we have done is to pool the regular business loan and disaster funds together. That was not anticipated when SBA's budget was drawn up. This substantially increases the funds available to the SBA for its regular business loan program since the disaster fund has never been fully used, and there is every expectation that a substantial amount of money in the disaster fund will be available for use for regular business loans.

I also point out that the extra $16 million authorization to the SBIC program was a subject of contention in the committee, and a substantial minority felt that that was not justified. It seemed unnecessary in view of the fact that since 1959, when the small business investment company program began, only $142 million has been used. There is still $183 million left in the fund for this program unutilized and is at the disposal of the SBA under previous authorization. I wish to make clear that my amendment would not touch that fund.

I think it is time for the Senate to take a look at the way the SBA is operating and the way it has expanded. The SBA regular loan program has expanded from $290 million at the beginning of 1959 to $735 million at the end of the present month. The full SBA authorization will be $1.450 billion. On the basis of projections, if this bill becomes law, approximately $2.5 billion will be required by the end of 1967 for SBA's regular business loan program and programs under the Small Business Investment Act of 1958. I emphasize that figure.

In view of the rapid expansion of the loan and other programs, it seems to me that we should take a careful look at it and see what it accomplishes. The facts brought out in the committee hearings show that only approximately 25,000 of the 4½ million small businesses in America have ever received a small business loan. That means that only about one small business out of 200 has ever received an SBA loan. In any one year, of course, the percentage of small business taking part in this program is even smaller. I estimate that next year about one small business in 1,000 will receive an SBA loan during this year or next year.

With that point in mind, congressional oversight requires careful review of SBA's lending policies. This oversight is badly needed in view of the great expansion of the agency and in view of the ocean of small businesses in which we are trying to operate.

Which are the one in a thousand firms who will get a small business loan next year? In the first place, many of the loans are going into areas and States in which every analysis indicates that ample banking facilities are available. I have discussed this subject with leading officials in the SBA. They have told me that they can see little justification for providing funds to firms that are located in States like Massachusetts, for example, where ample banking facilities exist and where any legitimate loan will be made by the regular banking system.

In the second place, I invite the attention of Senators to the fact that more than 50 percent of the dollar volume of the loans has gone to only 10 percent of the borrower. Ninety percent of those that borrow from SBA receive only half the money. The remaining 10 percent that get the big loans receive half of the money, or 50 percent.

I think we ought also to recognize that more than 40 percent of the loans that are made are made not for expanding small businesses and to encourage small

business to grow. Those receiving 40 percent of the loans do not use the funds to purchase facilities or new working capital they cannot obtain elsewhere.

For what reason are 40 percent of the loans made? For refinancing existing debts.

Next, I wish to call attention to the fact that a very large number of loans are made to motels and bowling alleys, and for the construction of doctors' and lawyers' offices, which may be attractive enterprises but, in my judgment, those enterprises should not be federally subsidized. They contribute little to employment, very little to growth, and in virtually all cases it would be possible to obtain the loans from banks.

I come to the next point I wish to make. Before the SBA loans can be made, it is necessary, of course, for the borrower to be turned down by a bank. I have talked with many bankers, not only in Wisconsin, but in other places around the country. I am told that the turndown procedure is a joke. Turndowns are always given as a matter of courtesy to a customer. A turndown is rarely refused. It is a simple procedure for a man who wishes to obtain money at easier terms. The terms are substantially easier from the Small Business Administration at present interest rates. To obtain a bank turndown, the bank often participates under advantageous terms, and, in effect, has a loan that is substantially guaranteed by the Government.

The principal objection that many people in the country have to the present operations of the SBA is the feeling that in order to obtain an SBA loan, in order to be one of the 1 in 200 firms which have received such loans, the applicant should know a Representative in Congress or a Senator. I think perhaps that is one of the reasons why the SBA program has been so much more popular in the Senate and in the House of Representatives than in the country as a whole. On the basis of the opportunity I have had to talk with people in the SBA, I feel that there has not been substantial interference by Members of Congress in most cases. There are, perhaps, a few cases in which Members of Congress have tried to pressure the SBA, but I think the SBA has been extremely well administered by John E. Horne and his predecessors. There has not been a tendency to yield to congressional pressure. But there is the belief around the country that if one wishes to get an SBA loan, he should see his Senator or Representative. The result is that many people around the country feel that the program is a matter of political influence and not one of merit.

Mr. President, what I have said may be considered a very severe indictment. I do not mean it in that way at all. The SBA has done a good job. John Horne is an outstanding Administrator. But I think it is time, in view of the rapid expansion—the threefold expansion—of the loan program in the past 3 years, and the expansion to $2,600 million in the next 3 or 4 years, it seems to me that it is time to take a look at the program and find out exactly the areas in which the Congress feels that the SBA could operate most effectively, instead of shooting at the enormous ocean of 4½ million firms everywhere, including many areas that are fully banked.

We recognize that in some areas of heavy unemployment, banking facilities are not adequate. In some areas it might be sensible to provide an opportunity for SBA loans; and in other areas the opportunity to get, in effect, a Government-subsidized loan should be eliminated.

I think the basic way to meet the problem of inadequate facilities for small business is to make private banking facilities more readily available.

For example, in the city of Washington some 40 years ago, when the population was far less, and when income and assets were less, there were 50 banks. Today there are 11. The number has dwindled sharply. What is true of Washington is true of Wyoming, Alabama, Wisconsin, Massachusetts, and States all over the country.

I feel that the adoption of a policy on the part of the Comptroller of the Currency, the Committee on Banking and Currency, and other authorities to do all we can to encourage the franchising of additional banks, and to do all we can to encourage additional banking competition, is the way to meet the problem in an effective and efficient way, without providing any kind of taxpayers' subsidy. I believe this type of subsidy is a serious mistake.

Until these fundamental questions are answered, it seems to me that it would be a mistake for Congress to rush along at a more rapid pace than the SBA feels we should, or has requested that we should. I recognize that the SBA asked us to eliminate the authorization altogether, but it is very clear that if we are to have a 1-year authorization, it should be a $226 million additional authorization and not a $250 million authorization.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I have discussed this matter with the Senator from Wisconsin and the Senator from Alabama. I have an amendment at the desk, which I should like to offer.

Mr. PROXMIRE. I understand the parliamentary situation to be that my amendment is now pending.

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. I ask unanimous consent that it may be laid aside so that the Senator from Massachusetts, who has a very important committee meeting to attend, may offer his amendment, in order that it may take precedence and be disposed of first. Then my amendment can be called up again.

The PRESIDING OFFICER. Without objection, the Proxmire perfecting amendment will be temporarily laid aside. The Senate will now proceed to the consideration of the amendment offered by the Senator from Massachusetts, which will be stated.

Mr. SALTONSTALL. I thank the Senator for his courtesy.

The legislative clerk read as follows:

On page 3, line 8, before the period insert the following: ": *Provided*, That the Administration shall report promptly to the Committees on Appropriations and the Committees on Banking and Currency of the Senate and House of Representatives whenever (1) the aggregate amount outstanding for the purposes enumerated in sections 7(a) and 8(a) exceeds $1,012,200,000, or (2) the aggregate amount outstanding for the purpose enumerated in section 7(b) exceeds $96,800,000".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that there be printed in the RECORD a brief statement explaining the purpose of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SALTONSTALL

This amendment to S. 2970, a bill to amend the Small Business Act, is being introduced to provide for a report to be rendered by the Small Business Administration to the appropriate committees of the Congress of expenditures in excess of specific amounts from the revolving fund to be established by S. 2970. The figures cited in this amendment are based upon amounts which the Small Business Administration has estimated will be spent in support of the programs under sections 7 (a) and (b) and 8(a) during fiscal year 1963. When the sum of $1,012,200,000 is exceeded in support of programs under sections 7(a) and 8(a), or when the sum of $96,800,000 is exceeded in support of the program under section 7(b), this amendment will require that a report of this fact be filed with the appropriate committees of the Senate and House of Representatives.

While I am in substantial agreement with the concept of a revolving fund to finance those programs provided for in sections 7 (a) and (b) and 8(a) of the Small Business Act, it is my view that provision should be made in S. 2970 for appropriate congressional review of expenditures out of the fund when the possibility may arise that sums expended in support of one program may deplete sums available to support another program. This concern is addressed particularly to a possible depletion of amounts available for disaster loans under section 7(b) of the Small Business Act. It is for such a reason that I have introduced this amendment. It should be observed that this amendment does not have the effect of limiting the Small Business Administration in the proper expenditure of amounts out of the revolving fund established by S. 2970.

Mr. SALTONSTALL. I thank the Senator from Wisconsin for his courtesy.

Mr. PROXMIRE. I thank the Senator from Massachusetts. His amendment is a very excellent contribution. It enables Congress to exercise the oversight which it should exercise over the disaster funds, in view of the fact that they have been pooled in this bill.

The PRESIDING OFFICER. The question now recurs on the Proxmire amendment.

Mr. PROXMIRE. Is the Proxmire amendment now the pending amendment?

The PRESIDING OFFICER. The Senator is correct. The question is on

agreeing to the amendment offered by the Senator from Wisconsin.

Mr. SPARKMAN. Mr. President, I address myself to the Proxmire amendment, because that is the only issue before us with reference to the pending bill.

The question at issue here is whether the Senate will take a realistic and long-range view of the needs of the Small Business Administration. There is no question here of how much will be appropriated for the lending programs of SBA. This is only an authorization bill. There is no question here of promoting or encouraging expansion of SBA's activities. The expansion and growth of these vital programs has already occurred. The figures available to me show that, whereas the lending activity of SBA increased some 37 percent from fiscal 1961 to fiscal 1962, it is expected that there will be an increase of only about 9 percent in fiscal 1963. What we are attempting to do is bring the revolving fund authorization in line with the realistic needs of small business and provide some cushion against unforeseeable circumstances.

Due to the increase which occurred this year, the agency was, in one vital area, forced to make a drastic curtailment of its activities. Earlier this year, the Administrator found it necessary to cut back loans to small businesses because the revolving fund was depleted to the point where the agency could not fully meet the requests of small firms for financial assistance.

This cutback took two forms. First, last November, to conserve the agency's dwindling loan funds, the Administrator announced that as of December 1, loan applications in excess of $200,000 would not be accepted unless the applicant was in a defense-oriented industry. Of course, the Small Business Act of 1958, as amended, specifies that the agency may lend up to a maximum of $350,000 to any one small business concern. That was the amount that Congress decided the agency should be able to lend to a single company where the facts indicated a small firm required that amount to expand and remain competitive.

Secondly, in March of this year the Administrator virtually discontinued approving business loans except for a small number of cases where it was evident that an applicant's business would be gravely jeopardized by a delay in making the loan.

It is my view, Mr. President, that this forced retrenchment of SBA's business lending program is most unfortunate. It takes money to run a successful business in these times. A small business which lacks access to growth funds is in trouble. A study of a group of manufacturing firms that failed showed that although these firms failed for a variety of reasons, they had one factor in common—lack of growth.

Sometimes we may tend to lose sight of the fact that our small business enterprises provide about 30 million jobs or nearly 50 percent of our national employment. As large corporations speed up their automation programs, I hope that a growing national small business community will be able to absorb many thousands of workers released as a result of automation. This is another reason, it seems to me, why small companies should have access to growth capital. It costs more in terms of capital assets to create one job today than ever before. In 1947, manufacturing corporations had total assets which averaged $7,505 per employee. In 1959, the average amount of total assets per employee had increased to $15,733 or slightly more than double that 1947 amount.

I should like to cite just one case in point. I have seen several letters from small businessmen who have obtained SBA loans at or near the statutory limit. I recall that the president of a small boatbuilding company in Lewisville, Tex., obtained a loan of $350,000 of which SBA's share was 90 percent with a local bank taking 10 percent. This small business owner wrote as follows:

> I would like for you to know that in obtaining this loan we shall be able to put 60 or 75 additional people to work in the very near future and another 25 or 30 within the next 4 or 5 months when we again get underway.

In other words, Mr. President, this 1 loan at the statutory $350,000 limit created about 100 jobs. This is a point I should like to see pondered by those who feel that the SBA should confine itself to making only very small loans in the $1,000 to $50,000 bracket.

A few weeks ago I wrote to the Administrator of the SBA to inquire what additional moneys would be needed if he were to return to making loans close to or at the statutory limit of $350,000. He replied:

> If the legal maximum of $350,000 on individual loans were to be restored, our best estimate is that additional $60 million would be required to finance the 1963 estimated volume of applications.

It is interesting though unfortunate, I believe, that the bill reported by the committee, which includes the $24 million now at issue, will not be sufficient to permit a return to the loan limit set by Congress.

Mr. President, I have the greatest respect for my colleague, the Senator from Wisconsin, and I respect his judgment. However, I am convinced that the amendment he offers constitutes a shortsighted approach to the problem which has plagued the Small Business Administration in recent years.

The SBA has no authority to borrow funds directly from the Treasury. In order to obtain additional funds to finance its small business lending programs, SBA must first get approval of the Banking and Currency Committees for an increase in the dollar limit authorized to be appropriated to the SBA revolving fund. When such an increase is approved by the Banking and Currency Committees, SBA must then justify the need for additional funds before the Appropriations Committees.

As might be expected, this has resulted in an awkward situation on those occasions when, due to a physical disaster or an unexpected increase in the demand for credit by small firms, it has become necessary to obtain additional funds for SBA on rather short notice. Senators will remember that such a situation arose last year. In order to get additional funds needed at that time by SBA—and the need was rather acute—the agency had to present its case for these emergency funds to four separate committees of the Congress. Unnecessary delay which impeded the efficient operation of these vital programs was the inevitable result.

In order to solve this problem, the President recommended—and this bill originally provided—that the dollar limit on the SBA revolving fund be completely eliminated. This would have allowed SBA to obtain additional appropriations without first having to obtain an increase in the revolving fund authorization.

The Banking and Currency Committee considered this question very carefully. However, we decided against a complete elimination of the revolving fund limit and chose instead to provide a $24 million cushion in the authorization. That is exactly what this proposal is—a cushion against emergency demands upon the SBA. The bill is not an appropriation bill. If passed, the SBA would still be required to justify, before the Appropriations Committees, the need for any funds beyond the budgeted amount.

The bill simply provides a little insurance against the possibility that the recommendation of the Budget Bureau is unrealistic—a possibility not entirely remote in view of my past observation of these matters—and it also represents a recognition of the possibility that a physical disaster or some other unfortunate circumstance may cause an unexpected increase in the demand for funds from SBA. If the bill passes in the form reported by the committee, it will greatly enhance SBA's ability to cope with such emergencies. The amendment proposed by the Senator from Wisconsin would remove the cushion provided by the committee, and I am opposed to the amendment. I feel that it represents an unrealistic and—as I say—a somewhat shortsighted approach to a very real and serious problem.

I must take issue with my friend, the distinguished Senator from Wisconsin, when he attempts to equate this bill with an appropriation measure. I must also take issue with the implication that this authorization bill exceeds the recommendations of the administration. The bill does not appropriate funds either equal to, above, or below the amount included in the budget. As a matter of fact, as I have pointed out, this bill is far more conservative than the bill which was recommended by the administration.

I should like to make two or three points in addition to my principal statement. One is to emphasize again something I stated previously, namely, that the amount suggested for the fiscal year by the Bureau of the Budget is based not upon the tremendous growth which SBA had during the past 2 fiscal years, but upon the expected increase for the next fiscal year, which is only 9 percent as compared with 37 percent.

Second, I invite attention to my previous statement with reference to the difficulty in which SBA sometimes finds itself. The Senator from Wisconsin may recall that SBA needed additional funds for the present fiscal year, and funds are provided in the second supplemental appropriation bill which passed the Senate some time ago, but is still pending in conference. If I am mistaken, the Senator from Wisconsin can correct me.

Mr. PROXMIRE. The Senator is correct.

Mr. SPARKMAN. If some unusual disaster had occurred, or if the pace of making loans had been maintained, SBA simply would have run out of money entirely before the end of the fiscal year.

The problem was discussed in the full committee, and the full committee went along on the question of open-end authorization. I believe the Senator from Wisconsin will agree with me that there was no particular argument in either the subcommittee or the full committee on this point. The Senator may remember that I myself said we had always refused to give that kind of authorization to the Federal Housing Administration. It had been asked for repeatedly, but we declined to give it.

Finally, last year we provided an extension of time, and the Senator may remember my suggestion that the SBA be given 2 years. Then the suggestion was made that instead of giving a 2-year authorization, the time be held to a single year. This was suggested in order to assure having a congressional review take place periodically. The $24 million cushion would be provided, simply to even off the amount.

If I remember correctly, the amount was set at $226 million, and we said we would round it off to $250 million, which would provide a cushion. It is in excess of what the Bureau of Budget estimates will be necessary for fiscal year 1963. We recognized that in the committee, but we said that for fear some emergencies might arise, we would provide a cushion of this kind, and we set the amount at $250 million additional, with a 1-year—a single-year—authorization.

I regret very much that the Small Business Administration found it necessary last year, because of a scarcity of funds, to reduce the maximum level of single loans from $350,000 to $200,000. I do not believe that is good. I agree with the Senator from Wisconsin that the fund is for small business. But there are many small businesses. The money is for small business; so, of course, there ought to be a good many small business loans. Nevertheless, there are many small businesses for which a maximum of $350,000 is not unreasonable, and certainly such businesses should not be excluded.

One thing which I believe many people overlook is that of some 4,400,000 corporations or businesses in this country, 95 percent are small businesses. Those small businesses—and this is the important point—employ 50 percent of the people who are engaged in nonfarm employment, are in forms of employment of this kind. They manufacture approximately 40 percent of the products of the country. This shows how important small business is to the economy of the Nation.

This is small help which we have given small businesses through the Small Business Administration. The Senator from Wisconsin points out that there have been only 25,000 small business loans. Instead of holding that up in derogation of the legislation, I think it ought to be held up to show the need for a stepping up of the program.

Now I wish to say a word about the question of political influence in SBA. I share with the Senator from Wisconsin the feeling that there is no such thing as political influence in the SBA. I have been closely associated with the Small Business Administration since its creation. I introduced the bill which created its predecessor, which was simply taken over by SBA. I have been closely associated with all the administrators of SBA from the very beginning. I have been the chairman of the Small Business Committee ever since it was created in 1950, with the exception of one 2-year term when the Republicans controlled the Senate; and during that time I was the ranking Democrat on the committee.

I cite these facts to indicate my interest in small business and my closeness to the operation of the Small Business Administration. Yet my State of Alabama—and I am not boasting of this; I am stating it as a fact—probably has as low a rate of small business loans as any other State in the Union. I have never tried to use political influence with the SBA. I think that is true of the average Senator and also of the average Member of the House. I do not think there is political influence in any sense of the word.

I do not think it is a political organization in any sense of the word. I know John Horne quite well. He came to Washington on February 1, 1947, as my administrative assistant; and he remained with me, in that position, until he was appointed to the Small Business Administration. Incidentally, let me say that I did not request his appointment as Administrator of the Small Business Administration, and neither did he request it. But when he was asked by the administration if he would accept the appointment, he came to me — and I think I am not disclosing any secret when I state this—and asked me about it; he was in great doubt as to whether he wanted to accept the position. He knew something of the hard work and the obstacles confronting that organization. But I urged him to accept the appointment, because I knew, from his work with me and from the interest he had taken prior to that time in small business legislation, that he could do a good job, and that if anyone could do a good job there, it would be John Horne.

So certainly I am convinced that no political influence has been used there. Instead, its work has been done on the basis of merit; and John Horne has proceeded with that work on the basis of merit and on the basis of his love for the work.

So, Mr. President, I earnestly hope the amendment will be rejected, so that we shall give the Small Business Administration a little elbowroom. Even with the inclusion of this cushion, the restrictions I have mentioned must still be observed. I do not believe we should provide additional restrictions.

Mr. PROXMIRE. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. The Senator from Alabama has said we shall not be exceeding the budget request. The Senator also said the committee decided to provide a 1-year authorization. As he knows, the budget request—and the request of the administration for fiscal year 1963—was $226 million. We shall be providing $250 million, or $24 million more than asked and we shall also be providing for a cushion, by means of a pooling of the disaster fund, which never has been fully used, with the regular loan fund.

Furthermore, as the Senator from Alabama knows far better than I do, there never has been an instance in which the SBA has been unable to make loans because of failure by the Banking and Currency Committee to provide it with adequate authorization. We stand ready to authorize more funds whenever necessary. Is not that correct?

Mr. SPARKMAN. Yes, the Senator from Wisconsin is correct as to the last part of his statement.

But a few minutes ago I said the supplemental bill provides funds which it was thought the Small Business Administration would need for the first half of this year, and that our committee voted to authorize those funds.

Mr. PROXMIRE. Yes, the Banking and Currency Committee voted to authorize them.

Mr. SPARKMAN. That is correct. But even though we might authorize additional needed funds in time, in the event of an emergency, for instance, perhaps we would authorize them by April 1—they could still be enmeshed in a supplemental appropriation bill which would be delayed. For instance, the present supplemental bill is still in conference; and it is now June 14, and the fiscal year is almost over, but still the supplemental bill is in process.

As regards the budget estimate, I want the Senator from Wisconsin to realize that I used the term "the administration's request." I then referred to the budget estimate, not the budget request, because the request was that we provide the SBA with an open-end authorization, and the budget estimated that in that event there would be spent in the remainder of this fiscal year and the next fiscal year $226 million.

Mr. PROXMIRE. That is correct. But once the committee made the decision to provide a 1-year authorization, then the additional $24 million was in excess of the administration's request, particularly in view of the pooling with the disaster fund.

Mr. SPARKMAN. But I point out that all that was done as a part of one action. The Senator from Wisconsin will remember that in the committee, I proposed a 2-year extension; and then it was suggested that if we would pool the two funds, and would add this cushion, we could proceed with a 1-year authorization. It was not intended that all

the $250 million would necessarily be spent in the 1 fiscal year; but it was pointed out that there would be a cushion, so that if it became necessary to appropriate additional funds, they would be within the authorization ceiling.

Mr. PROXMIRE. Well, it is either a 1-year authorization or it is not. I feel very strongly that if the committee is going to perform any function in connection with providing an authorization, it should provide it in a limited amount, so that if the SBA decides to go further, it will have to explain to the committee why its policy is so expansive and why it has increased its loans so much and why such a policy is justified. Otherwise the authorization process serves no purpose.

Mr. SPARKMAN. But I think the Senator from Wisconsin will remember that this was a package agreement, which was agreed to almost unanimously in the committee—although it is true that the Senator from Wisconsin said he might offer an amendment on the floor.

Mr. PROXMIRE. In fact, I was rather vigorous in saying that it was a mistake. But no vote was taken on it in the committee. However, perhaps 5 of the 15 members of the committee came to me and told me they would have supported my amendment if I had pressed for a rollcall vote. So there was substantial opposition.

Mr. SPARKMAN. But it was not stated at the time.

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. And I feel that we worked out a good solution.

So I earnestly hope the Senate will sustain the decision of the committee.

Mr. PROXMIRE. Mr. President, let me also say to the Senator from Alabama that his argument that we should take a long-range view is a good one, and that is exactly what I recommend. The Senator from Alabama has spoken of the need for small business; and, of course, there is a great need, particularly in view of the many fatalities among small businesses because of the very great impact of chainstores, and so forth. All that is well known and is most serious; and we should do what we can about it.

But to follow a policy of making loans to 1 out of 200 businesses, a policy of providing such assistance to 25,000 out of 4½ million of these firms, which at any time over the past 10 years have had a small-business loan, is not a proper way to give such aid.

The Senator from Alabama says, "Yes; but this is a justification for expanding the program."

But in that event we would have to have a $20 billion or $30 billion or $40 billion or $50 billion authorization. No one supports so great an involvement by the Federal Government in the economy.

It seems to me that we must recognize that we can do only limited things in connection with the SBA operation. We should have a rifle shot at these areas, and should provide criteria insofar as we can; and perhaps we should provide for much more substantial help in cases in which employment may be greatly increased by SBA loans.

But to provide that these funds shall be available to any and all of the 4½ million small businesses—for example, to a doctor's office or to a bowling alley or to a motel, even though in some areas of the Nation the motels and bowling alleys have been greatly overbuilt—and to make this money available to them at such low interest rates, would make conditions very bad for the existing small businessmen who are already in these fields. Furthermore, in such event, inefficient businesses could obtain these funds, whereas they could not obtain them from banks.

Mr. SPARKMAN. Mr. President, I am not advocating such a policy. But the restrictions already placed upon the small business program are hurtful to small busineses in the United States; and certainly I do not believe we should restrict them further.

Mr. PROXMIRE. Let me reply, and I shall be as brief as I can be, as I do not want to detain the Senate. I want to ask the Senator from Alabama if he will, in conference with the House, which I understand has reported a measure far more generous than this, providing an authorization of something like $2½ billion, consider the arguments which were made in committee and which are being made on the floor now, in an effort to keep the authorization as reasonably limited as possible. I make that request not because we want to limit the program, but we want to take a look at it in order to provide some criteria or basis other than political understanding or knowledge that a Senator or Representative has encouraged someone to seek a loan.

Mr. SPARKMAN. I would have preferred the 2-year authorization, as the Senator knows I stated in committee, but the committee arrived at this solution and I am perfectly satisfied with the legislation as the committee has reported it, and I intend to support it. The Senator from Wisconsin will be a member of the conference. If I am a member of the conference, naturally I will consider it my duty to uphold the Senate bill.

Mr. PROXMIRE. Just to clear up a few points of disagreement with the Senator from Alabama, he pointed out that this measure was not posited on another 37-percent increase in applications, but on 9 percent. The fact is that the 9-percent increase in applications is on top of applications for 1960 totaling 8,381. The next year the number increased to 10,880. For 1962 it is estimated the number will be 15,000. For 1963 it is estimated the number will be 16,440. So this request for additional funds is posited on a far larger number of applications, by 1,400, than the SBA has ever had.

The Senator from Alabama indicated that he would agree with me that there has been no congressional pressure and no political pressure. While I think the impression of congressional pressure has been greatly exaggerated around the country, and while there is an unfortunate impression around the country that political influence is an important factor in getting an SBA loan, the fact is there has been some congressional and political pressure. Fortunately, it has not been frequent, but it has been in existence. I have had personnel from the SBA who have resigned tell me that it is one of the most serious problems they have there. They have told me that the loans sometimes do not conform to merit, but are based, on occasion, at least, on very tough, strong, and vigorous pressure from Members of Congress.

As I understand, the reason for a retrenchment of the program was a decision by the administration and a decision by the Appropriations Committee—not a decision by the committee of which the Senator from Alabama and the Senator from Wisconsin are members, not by the Banking and Currency Committee. I think the Senator from Alabama has made that clear. But the fact that the administration went down to $200,000 as the maximum size of loans, except those that are defense oriented, I think was a wise decision and is a criterion we might consider for the future. It does not mean a serious curtailment of small business. They can get loans up to $200,000, and those that are related to meeting our defense needs can borrow up to $350,000.

I agree with the Senator from Alabama that small business does provide great employment, that it is immensely important to the welfare of our Nation, that we should be alert to do all we possibly can to assist it; but I feel we can be far more helpful to small business if we design criteria that do not permit this enormous ocean of 4,400,000 small businesses to come in without any discrimination and then permit only a privileged one-half percent to borrow money, or, in any 1 year, one-tenth of 1 percent to borrow the money, with only a fraction of 1 percent of the employment being affected.

I recognize that the Senator from Alabama was absolutely correct when he said there were wonderful instances of small business being aided, where communities have been resurrected and assisted, where workers have been provided with jobs they otherwise would not have had. I think those are fine instances. I think the committee in the future should consider the possibility of tailoring a program to emphasize among other criteria the amount of employment or assistance in areas where capital is not sufficient.

Obviously, if only one business firm in 200 has received any kind of small business loan in 10 years, it follows that small business has to rely 99 percent on the banking systems. Therefore a real solution should rest on improving the thrust and reach and composition of the banking system, and help the SBA in a far more discriminating way than we have in the past.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from West Virginia.

Mr. RANDOLPH. The Senator from Wisconsin is much more than a student of this subject matter; I think he is an expert in this field. This is said with

the full realization that it is a compliment, which I speak with sincerity.

The Senator from Wisconsin will recall that we had some disagreement in reference to the amount of the Small Business Administration's maximum lending authority during debate in this forum last year. At that time, although we differed in the matter of the authorization ceiling, we both expressed the desire to see reasonable and realistic programs devised to help small businesses. I believe we agreed they should have access to both local lending institutions and the Small Business Administration to negotiate participating loans to stimulate the employment of people and the manufacture of products, and thereby help strengthen the economy.

In Clarksburg, W. Va., especially, in recent months, there has been a stepped-up activity in which organizations at the community level have participated in efforts to assist new industry. The banks have participated insofar as possible.

We have in West Virginia a statutory ceiling which circumscribes our banking institutions in the matter of participation in loans.

At the present time there is pending before the Small Business Administration an application from Clarksburg, in which it appears, because of the very considerable participation by the banks in recent loans for industrial development, that the local lending institutions will be hard pressed to participate even on a 25-percent basis.

I say also to my colleague that if this loan is granted to Joyce Teletronics Co., 42 persons will be placed in gainful employment in new job opportunities. The product to be manufactured does not want for customers, but the business must wait for the necessary SBA loan.

In West Virginia we fully appreciate the Small Business Administration. The loans that have been consummated through the Small Business Administration, with the assistance of the financial institutions of our State, have been most helpful.

Mr. PROXMIRE. I say to the Senator from West Virginia that I think he has given an excellent example. The Senator has provided a real service by calling attention to the kinds of things the Small Business Administration can do toward providing employment.

The fact is, as I point out in my individual views, that less than 50 percent of the loans are made to manufacturing firms. Loans are made to motels, to bowling alleys, for doctors' offices and for lawyers' offices, and so forth. While some of these less essential areas provide some employment, they provide almost no employment, or very little.

I have seen loans made for projects costing $350,000, involving employees numbering 1, 2, or 3. The amount of employment involved, except with respect to the construction of the project, which is itself limited, is very small.

The example which the Senator from West Virginia has given so well is one of a firm which would provide substantial employment, permanent employment, and increasing employment. This is employment which directly could be multiplied several times. I think this kind of a loan request should be given a real priority. We should do all we possibly can to provide all of the funds that are necessary which cannot be provided by the banks.

Mr. RANDOLPH. I commend my colleague for his affirmative statement in reference to the desirability of making such a loan. And I recall another SBA loan which was delayed because the Small Business Administration had no moneys on hand, although the loan had received SBA approval. The loan, from the standpoint of the bank participation, had been entered into, yet in this instance the Pocahontas Furniture Co., at Marlinton, W. Va., was faced with failure to bring the loan to fruition. It was a small loan.

The prior loan mentioned was only in the amount of $30,000. This loan had a figure, for the purposes of this discussion, of somewhat less than $50,000.

On this instance, also, productive employment was to be provided people who are now out of work. The product—upholstered medium-priced furniture—had already found a market. The orders could not be filled. This problem exists because the company needs the loan in order to proceed with the manufacture of the product.

Mr. PROXMIRE. The Senator is correct.

I wish to make it very clear to the Senator from West Virginia that in no sense, at no time, under any circumstances, was the authorization for the SBA responsible for this situation. That was a matter of appropriations. We have authorized sufficient funds. The funds are available. Congress has always stood ready to provide additional funds if they were necessary.

Secondly, I would say that even within the limitation set by the Appropriations Committee, if there had been some basis for a criterion—which there was not, since the SBA does not have authority, by Act of Congress, to deny some loans because they are not in essential areas and do not provide significant employment, and to make other loans which do—very little could be done. I think the Small Business Administration should have that kind of authority. I think the Small Business Administration should have those kinds of guidelines.

If those guidelines had been provided, the Senator from West Virginia would not have given such an example of difficulty of a firm wanting to provide employment, a firm which had the product sold, a firm which had an opportunity available but which could not get the money because the money was gone.

The money was gone because it had been given to somebody who was involved in building an amusement park, dance hall, motel, or some other fine establishment which probably we do not need more of at the present time, or very few more of. There are plenty of those now, usually, and they do not provide much employment.

Mr. RANDOLPH. Perhaps the RECORD should not reflect at greater length my discussion of this problem, except for me to say that we owe a very considerable debt in this country to small business, to the approximately 5 million small businesses which, more or less at the local level, employ people who oftimes cannot find employment in the larger automated plants. I know this is true in the hills of West Virginia. The small business units perform a real service.

In all this bigness which we find surrounding us today, I trust we shall not forget that we do a disservice to the Republic and to our people if we allow small business to be lost in the shuffle of the gigantic economy of which we are a part. I say this especially at this time as we consider the pending measure.

I realize that the Senator from Wisconsin speaks, as he has spoken often, about the need to lay down certain guide lines. I would not wish, however, to see a further reduction of the SBA program ensue because of certain tightenings which the Senator believes should be placed into effect.

I close by indicating that in the State of West Virginia, at least—and I shall not make comparisons with other States—loans are being processed. Loans are being participated in. Loans have been brought to fruition, but there is an unfortunate hiatus at this time.

There is an impact of men and women out of work, men and women who wish gainful employment, men and women who will have employment at least in part when a manufacturing industry or other small business receives a needed loan. Even though it may be small, employing 30 or 40 workers, an industry or business kept in being or brought into being with SBA loan assistance or other SBA service is helpful to the economy.

For that reason I have taken these minutes not so much to oppose the Senator in what he has said, but to bring us back into consonance. We must think in terms of an approach to the problem which is realistic, even though we may differ as to the amendment which has been offered.

I gave very careful attention to a reading of the individual views of the Senator from Wisconsin. I am not a member of the committee which reported the bill to the Senate, but I am a member of the Select Committee on Small Business of the Senate. I attempt, insofar as possible, to be knowledgeable on this subject matter.

Again I commend both the Senator from Alabama and the Senator from Wisconsin for having clarified, even though from differing points of view, the necessity for a program to stimulate and sustain the smaller businesses. We must keep authorizations adequate, but we must also do our best to match authorizations with appropriations for the Small Business Administration. I have spelled that out in an address I delivered earlier this afternoon. I invite my colleagues' attention to that address.

Mr. PROXMIRE. I thank the Senator from West Virginia. He is a firm and effective friend of small business, not only in West Virginia but also throughout the country. He has fine business experience himself. He is a successful businessman. He brings an excellent understanding of business to the Senate, and has made contributions over and

over again in respect to the small business program.

While I feel that this particular program needs some criteria and needs very careful oversight, I think there are a number of things we can do for small business which we have not done.

There is a bill pending in the Senate Commerce Committee now, the quality stabilization bill, which I enthusiastically support. I am a cosponsor of the bill. I think the Senator from West Virginia is also a cosponsor.

I feel that the really small businessman—the retail merchant who is the backbone of small business in this country—cannot continue to exist if he continues to be up against the kind of cutthroat discount competition we have seen in the past. This quality-stabilization bill will provide the kind of help which will do something for the small businessmen—not only a few hundred or a few thousand, but literally for hundreds of thousands of them. I refer to the druggists, the hardware merchants, the clothiers and jewelers, and other merchants throughout the Nation.

In the second place, lower interest rates are needed. Whether a small businessman borrows from the Small Business Administration or from a bank, interest rates are excessively high. This is a burden which the small businessman has to pay now, which he has had to pay in the past few years, which is more severe than it should be. I think action in this regard can be taken by our Government. We can and should reduce interest rates.

In the third place—and this is a matter that contradicts the committee's free and easy spending tendencies—over and over again, I think, we find that the small businessman is complaining, and rightly so, about his taxes. His taxes are too high. Although the Small Business Administration program has its merits, I think we must recognize that if we are to spend money, if we are to increase spending, we shall have to increase taxes or else have a big deficit, which may eventually have inflationary influences and drive the costs of the small businessmen up one way or another. I think that a program of economy including discriminating economy in the Small Business Administration itself will help the small businessman.

Finally, I wish to reiterate once again that the fundamental answer, in terms of making capital available to the small businessman, can never be substantially accomplished through the SBA—never in a hundred years. I do not think any Senator would say that we should provide funds for the 4½ million small businesses. I say the way we should do it is to stimulate our private banking industry so that it is more competitive than it is now, and so that instead of having a greatly diminishing number of banks—in many communities only one bank is available—that we have more competition in banking with far greater available private funds for small business.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment in the nature of a substitute as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The committee amendment, as amended, which is in the nature of a substitute for the bill, having been agreed to, the bill is not open to further amendment. The question now is on its engrossment and third reading.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

SENATOR PRESCOTT SHELDON BUSH

Mr. SALTONSTALL. Mr. President, Senator BUSH will not run again for the Senate. He is retiring with distinction and honor as a Member of the Senate. He has also brought great honor to his university, Yale University at New Haven, Conn.

I ask unanimous consent to have printed at this point in the RECORD, the statement by President Griswold of Yale University on granting an honorary degree of doctor of laws to Senator BUSH, and many newspaper editorials on the subject of Senator BUSH's retirement from the Senate.

There being no objection, the statement and editorials were ordered to be printed in the RECORD, as follows:

YALE UNIVERSITY COMMENCEMENT, JUNE 11, 1962

Provost BREWSTER. Mr. President, I have the honor to present for the honorary degree of doctor of laws PRESCOTT SHELDON BUSH of the class of 1917 in Yale College; former fellow of the Yale Corp.; U.S. Senator from Connecticut.

President GRISWOLD. PRESCOTT SHELDON BUSH, to your career as banker, member of the Yale Corp., and U.S. Senator, you have brought the high standards of personal integrity which have guided your own life. Loyal to your friends, faithful to your constituents, true to yourself, you have served your country well. You have personified the best in both political parties. As you retire from public life, secure in the esteem of the citizens of your State, your alma mater proudly confers upon you the degree of doctor of laws.

[From the Greenwich Time, May 17, 1962]

BUSH WILL RETIRE

Yesterday's dramatic announcement by U.S. Senator PRESCOTT BUSH that he will not be a candidate for reelection was a stunning blow to Republican State leaders and a source of sorrow for the hundreds of thousands of Connecticut citizens who have come to know him as a warm, dedicated, devoted, and conscientious representative in the hallowed chambers of the U.S. Senate.

Stress has been placed on the political implications—the creation of a vacancy on the ticket to be hammered together by the Republican State convention on June 4 and 5, the problem of the leadership in finding a suitable candidate who can win, and the impact on the 7 Republicans fighting for the gubernatorial nomination. But there is another aspect that is even more important to his family, his friends, and his thousands of admirers and that is the cause for the momentous decision. Surely it did not come without searing soul-searching.

Senator BUSH observed his 67th birthday on Tuesday of this week. The day before, he had consulted his physician and had been told that the years were taking their toll, that the demands of public service were having their effect and that the prospects of several months of intensive campaigning were anything but encouraging. If he valued the state of his health, he should ease up on his activities.

On Tuesday, Senator BUSH again saw his physician and the advice was repeated. He took the long view and contemplated what it would be like, if reelected, to serve 6 more arduous years in the Senate. The state of his health was not the only consideration. Nor, to those who know him well, was it the overriding one.

Senator BUSH felt that under the circumstances, he would not be able to give his best to the tough campaign ahead and, if elected would not be in condition to perform his duties and carry out his responsibilities in accordance with the high standards he had set for himself. Making such a decision takes character and the highest order of integrity and it can be said to Senator BUSH's credit that he has both.

[From the Greenwich Time, May 17, 1962]

EIGHT-WORD BOMBSHELL

"I shall not be a candidate for reelection," Senator BUSH told the news conference yesterday morning. A simple sentence of eight fateful words, words which rocked the State GOP leadership because they had no inkling that such a development was in the works.

Occupied with the battle for the gubernatorial nomination, they had taken for granted that Senator BUSH would run for a third term and there was not the slightest sign of any opposition.

The secret, although of only 2 days' duration, was well kept. Only a few individuals close to Senator BUSH knew the day before what he planned to announce.

Within seconds of the 10:30 a.m. disclosure of his plans, the news was greeted with astonishment and disbelief, but, when his reasons were considered, also with understanding and genuine regret.

From the political viewpoint, his withdrawal is a blow to the Republican Party. Although there are several likely prospects, Senator BUSH already has the stature, the respect, and the admiration of hundreds of thousands of the State's citizens who admired him for his devoted service and outstanding representation.

Now completing his second term, he would have been a strong candidate in running for a third term. He has developed into an excellent campaigner and his talents along this line, plus his knowledge and familiarity with the important issues would have made him a formidable opponent for the Democratic candidate.

What could have been or should have been is of no importance now. Senator BUSH, out of consideration for the people of his State, the party he represents, his family and his own health, decided to bring his public career to an end when he completes his term.

The people of the Nation and the State will miss this man. His colleagues in the U.S. Senate will miss him. And we, his friends and neighbors in Greenwich, can only accept his decision with deep regret, and, at the same time, wish him many happy and healthy years ahead.

[From the New Haven Register, May 17, 1962]

CONNECTICUT WILL LOSE A FINE SENATOR

To say that U.S. Senator PRESCOTT BUSH's decision not to be a candidate for reelection came as a shock yesterday is to understate the case.

His verdict is one which can only be met with universal expressions of regret.

These obviously will come first of all from his own party.

But it is certain that they will come, too, from his constituents, from his Senate colleagues and from his political opposition on both the Connecticut and national levels.

For these opponents, we are sure, would be among the first to recognize and respect the qualities which made PRESCOTT BUSH an outstanding Senator and an eloquent spokesman for those things which could best contribute to the advancement of Connecticut and of the Nation.

His decision will present serious problems for the Republican Party.

Senator BUSH, prior to his announcement, gave the GOP a strong candidate, one who would head the State ticket with distinction, giving his running-mates an established votegetter upon whom they could lean.

This prop has now been withdrawn and the obvious rush of potential senatorial candidates to fill the vacancy his decision creates is already underway.

For a party wrestling with the complexities caused by a six-man field of gubernatorial hopefuls, with other potentials hovering even now in the wings, this naturally piles problems atop problems.

From the partisan standpoint Republicans must hope that a bitter and damaging dogfight between contenders can be avoided and a way found to strengthen rather than weaken GOP prospects at the polls next November.

At the moment speculation along these lines appears idle.

But, even at this early date, Senator BUSH doubtless will be flooded with expressions of esteem from the citizens he has served so long and so well. One may be sure, too, these will be coupled with the sincere wish that health and happiness may follow him into political retirement.

[From the Hartford Courant, May 17, 1962]

SENATOR BUSH WITHDRAWS

As if there were not enough doubt about this year's Republican slate, now comes the explosion of Senator BUSH's withdrawal as a candidate for reelection. So today every spot on a ticket that has to be put together in 3 weeks is a question mark. And, while there is sure to be a lot of immediate scrambling the pieces probably won't all come down until the convention itself. With the political future thus obscure, one fact stands out: Connecticut has lost a strong representative on the national stage.

Senator BUSH's decision not to try again rests on a plea of age and health that his looks and his actions alike belie. Yet surely one cannot blame him if, just after his 67th birthday, he concludes that he has had enough.

In announcing his decision the man the State knows affectionately as "PRES" BUSH says the party has "able younger men available" who will do justice to the duties and opportunities of the now empty Senate seat. One is tempted to ask, "Who are they, and where?" So far there has been no rush to fill the large shoes left empty for a race presumably against Secretary Ribicoff, over whom Senator BUSH triumphed the last time they met at the polls in 1952. Yet even though there is no heir apparent to the Senate race—surely no one thought one was needed—in a sense what the Senator says about young replacements is true. An ever fresh renewal is inherent in life, in politics as in all else.

In fact Senator BUSH himself, when he first came upon the scene, was a political nobody. He had behind him a distinguished career in finance and in what might be called private public service. But in the world of politics he was an amateur, a sheep for the slaughter. And so it was in his first try in 1950. But 2 years later came another chance, and then this amateur turned into the professional he has been over the 10 years since.

The amateur turned a professional, moreover, before long grew into the high tradition of his party and his country. He was not content to go along with the slogans of the hustings, or to strike poses popular with the political and financial regulars of his party. He became a strong Senator because he faced issues on their merits, with a tough independence of mind and integrity of spirit. It was this approach that gave him, and the State, fresh strength.

So now it must be again. But who is to seek the empty seat is a question for the future. Today men and women of all parties in the State can say to their tall, friendly spokesman in Washington, "Thank you, and well done." Connecticut says farewell to a Senator, but hail to a citizen it will welcome back home. It has been an honor to have him represent us. Both State and party could use more like him.

[From the Waterbury Republican, May 17, 1962]

BUSH WITHDRAWAL

Could any development in the Connecticut political field be more stunning than the news which PRESCOTT BUSH reluctantly gave to reporters yesterday?

The lively race for the GOP gubernatorial candidacy has eloquently bespoken how many party hopefuls have their sights set on political ladder climbing. Now it is not one glittering prize that is up for convention grabs but two. There will be fresh sighttakings, fresh realinements and a radical upturn on the political fever chart.

We shall probably not lack claims on the Democratic side that though poor health is Senator BUSH's explanation for his withdrawal, a discouraged assessment of his party's chances influenced his decision. John Bailey won't miss such a cue. But how reconcile that with the sense of political opportunity that has brought so many claimants into the race for Governor? And, more tellingly, how reconcile it with the known character of the statesman who is taking his leave of public life? PRESCOTT BUSH has given us many proofs that he is not a man to run away from a formidable test. His years, his physical condition—these are the things that have dictated his decision. However popular it may be to look back of what a public man says for some hidden kernel of what he may mean when he says it, the least that the fairminded can do is to take the Senator at his word concerning the reasons for what must have been a difficult step.

There will be assessments and reassessments of where this leaves Senator BUSH's party and his State, there will be a returning to what party and State owe to his distinguished services. Suffice it for this time to say that in this land of steady habits, which is Connecticut, a stabilizing force of conservatism in the best sense of that often misused word was admirably exemplified by PRESCOTT BUSH. He was the kind of man that any sensible person would like to have representing him in great affairs. Not only was he keenly attuned to such tremendous issues as war and peace, with a brooding sense of what this troubled Nation has at stake in the world, but he represented Connecticut with a fine devotion to our State's industrial health and what it has to lose from unwise taxing policies, from bureaucratic proliferation and the grosser abuses of the welfare system. How responsive he was to area needs within the State was illustrated in a way which the Naugatuck Valley should never forget when the terrible 1955 flood hit us and when he was day after day here with us and effective in seeking avenues of aid in which Federal authority could help.

His was a sound, constructive voice in dedication to the National, the State and the local interest.

[From the Waterbury American, May 17, 1962]

SAD NEWS

To some people of Connecticut, we suppose, the announcement by U.S. Senator PRESCOTT BUSH of Greenwich that he will not be a candidate for reelection is not particularly earth shaking.

But to a great many others, especially those who keep a watchful eye on doings political in this State, it must have come as a distinct shock.

Senator BUSH has established an enviable reputation while serving the people of Connecticut in the U.S. Senate. He has been conscientious and thorough in matters of national legislation. He has been on the job faithfully. He has forcefully defended those principles for which he stood, and he has honestly and intelligently opposed those principles with which he could not in conscience agree.

Even though he proudly bears the Republican label, he numbers hundreds of friends among those who are nominally of the opposition; people who respect courage, honesty, and integrity in a man even though they may not share all his views.

We think it not biased to say that the hopes of the Republican Party in Connecticut for a victory in the forthcoming State and congressional elections were largely based on the assumption that Senator BUSH would be running for reelection.

While there exists much doubt today as to the man who will head the ticket in Connecticut this fall, there had been no doubt—until yesterday—as to the caliber of the man who would be running for the U.S. Senate. Here was a man upon whom all Republicans in Connecticut could depend for leadership, never mind their leanings toward individual candidates for the Governorship of the State.

Now the picture has suddenly and drastically changed. It will take a little time before Connecticut's Republican leaders can adjust themselves to the fact that they have lost Senator BUSH.

The big question must be, in the minds of the GOP leaders:

"Who will we find to take his place? Who could possibly have so broad an appeal to the electorate?"

Not that Senator BUSH is an indispensable man—not at all. He would, we are sure, be the first to deny that.

But his obviously considered decision not to run again is nevertheless a blow to Republican hopes at this point. It will not be easy to find a replacement for him.

We do not believe for a moment that the Senator arrived at his decision lightly, or that he did not have good reasons for reaching that decision. But we do have a distinct sense of loss of sound and forthright political leadership of the kind which this State—and this Nation—sadly need.

[From the Bridgeport Post, May 17, 1962]

SENATOR BUSH WITHDRAWS

PRESCOTT BUSH'S decision to retire from the U.S. Senate at the end of his present term was as much a surprise to the general public as to the Republican Party leaders.

Mr. BUSH fitted singularly well into the image of a U.S. Senator, and so far as anyone knew, had planned to seek a new 6-year term in Washington where he has served 10 years.

Until his sudden announcement of his retirement, Senator BUSH had given every indication that he was preparing for a hard campaign and continued service in Washington.

It seems clear that medical advice, the burdens of advancing years as he looks for-

ward to the seventies, and the "rigorous duties" of being a Senator in fact as well as in name, led Senator BUSH to his decision.

It was in accord with his nature that, having reached a decision, he took pains to make a clean break without attempting to influence the choice of a successor on the ticket or to intervene with his considerable influence in the sharp gubernatorial battle now raging within the Republican Party.

Of the many tributes paid Senator BUSH, that of his Democratic colleague, Senator THOMAS J. DODD, that "he has worked devotedly and effectively for Connecticut and the Nation and his loss will be sorely felt by his party and by the country," well expresses the general public feeling.

Senator BUSH served the people of Connecticut industriously, with high integrity and devotion, over a difficult decade. His fellow citizens of all parties will join in wishing him a satisfying retirement.

[From the Stamford Advocate, May 17, 1962]

SENATOR BUSH RETIRES

It was both a shock and a disappointment to his constituents to learn that Senator BUSH will not run for office again. His decision emphasizes the heavy demands that public service places on elected officials. It is characteristic of our senior Senator that when he believed he could no longer serve the people of the State as vigorously as they should be served, he removed himself from the political field.

At the same time, his decision means a loss both to the State and to the Nation. Senator BUSH was an Eisenhower Republican. He was elected in the Eisenhower years of 1952 and 1956. More than that, his philosophy of social progress and fiscal conservatism was that of the President.

His interest in social progress won him some brickbats from the more conservative in the campaign of 1956. But it was difficult to condemn a Senator for voting for the platform put forward by a President of the same party. Senator BUSH was reelected.

In the present Congress, Senator BUSH is outstanding because of the careful work he has done on the Kennedy tariff proposals and on our interrelated balance of trade problem. He has made an exhaustive and exhausting study of the situation and its relationship to deficit spending. This study, if taken to heart by the Senate, will radically change the presidential plan. Under any circumstances, it will modify it. We know of no Republican in the Senate with the qualifications to make such a study in the future, nor do any of the prospective candidates for Senator BUSH'S seat in either party have these particular qualifications.

Since Senator BUSH expressed his willingness to run for reelection only a year ago, it is reasonable to assume that his work this past year proved unexpectedly exhausting. Those following his work, while disappointed at his decision, can only be grateful for the work he has done.

The political leaders of both parties expressed sorrow that Senator BUSH is leaving active politics. It is hoped that his health will be such that he can serve his State and Nation in some less exhausting position for many years to come.

[From the New Britain Herald, May 17, 1962]

THE GOP IN FERMENT

Senator PRESCOTT BUSH'S announcement that he will retire at the end of this term came as a surprise and shock to the whole State.

On the one hand, there was clear disbelief and certainly, among the Republicans, disappointment. Senator BUSH attributed his desire for retirement to reasons of age and health. Yet, this tall, vigorous, aristocratic appearing man, now 67, has always appeared to us to be as alert and vigorous as a man half his age.

On the other hand, his decision has political ramifications of the highest complexity. His absence from the ballot will possibly create more problems than it has solved. Indeed, in the wake of the retirement announcement, the Republican Party finds itself in total ferment. Within minutes after his press conference, at least two new candidates came into the State picture, along with the seven already in the run for the gubernatorial nomination.

The upshot of it all is to suggest that the Republican State convention in 3 weeks is likely to be one of the wildest, most confused such affairs in a long time. State party chairman A. Searle Pinney, who has been at the helm during these months of confusion, should find himself in a more commanding position than he has been.

Meanwhile, a few words seem in order about the man whose decision caused this most open of open races.

We are convinced that Senator BUSH must have weighed the factors long and hard before he came to that sober press conference on Wednesday. His renomination had been a foregone conclusion. He had opened a campaign headquarters, and had purchased a vast quantity of campaign buttons, literature and other paraphernalia. He had been making numerous talks and visits around the State, strengthening his position, readying himself for the long fight ahead.

His decision could not have come easily. Back of him was a decade of strong, capable service to the State and Nation. He held a record of dignified, solid achievement, based on independent judgments. He was a party man, but never to the exclusion of independent thought and decision. He made hard decisions, and he made them well. A most recent example of that was his announced support of the medical aid bill, in the fact of considerable GOP opposition.

Senator BUSH'S absence from the ballot is a loss to Connecticut. His position of eminence in the Senate is widely recognized. Most of all, his genuine warmth and friendship will be sorely missed, both in the Senate and around the State. We wish him well, and extend thanks for the work he has done.

[From the Torrington Register, May 17, 1962]

SENATOR BUSH RETIRING

Connecticut is losing an able, conscientious, enthusiastic and hard-working legislator as a result of the decision of Senator PRESCOTT BUSH not to seek reelection this year.

The Senator has been an extremely capable representative of this State in the Senate, where his actions have won him the respect of his colleagues, regardless of their political affiliation.

Always faithful to the trust placed in him by those who elected him to office, Senator BUSH performed his senatorial duties in a manner that will make filling his shoes exceedingly difficult.

Torrington and the Naugatuck Valley were beneficiaries of his abilities on numerous occasions, especially after the 1955 flood, when he spent long hours in this area and when he sponsored and supported legislation that has resulted in protection programs designed to prevent another disaster of that type.

Politicians were shocked by the Senator's announcement that he will withdraw from the senatorial race. His many friends throughout the State and Nation were saddened by the realization that an exceptionally high type of legislator planned to retire.

Senator BUSH has earned the respect of all who benefited from his good work. His splendid record is one of which he and Connecticut can be proud, and all wish him well in his post-senatorial days.

[From the Danbury News-Times, May 18, 1962]

SENATOR BUSH WITHDRAWS

The withdrawal of U.S. Senator PRESCOTT BUSH from renomination by the Republican Party is the biggest political surprise in a year already marked by many unusual political developments in Connecticut.

When Senator BUSH decided that his health made it inadvisable for him to seek reelection, he called a conference of party leaders and then a press conference to disclose his unexpected decision.

The confusing situation in the Republican Party, with its seven candidates for the Governor's nomination, became a bit more confusing. However, there is the possibility that before the week is out, a couple of the candidates may get together with mutual promises of support and seek to split the two top offices between themselves. Whether this would clarify the present confusion remains to be seen.

The political developments in the wake of Senator BUSH'S announcement are intriguing, of course. But they should not obscure one fact which stands out.

That is the candid manner in which Senator BUSH acted once he came to the conclusion the nomination ought to go to a younger man. His renomination was a sure thing, as far as politics go. Others might have been tempted to delay until the eve of the convention, or even to accept renomination and then withdraw, handpicking a successor.

But Senator BUSH spoke out frankly. In so doing he added to the considerable stature he had already gained through his 10 years' service in the Senate. Democrats and Independents, as well as Republicans, join in good wishes to him as he enters his final months in public office and prepares to return to private life.

[From the Bristol Press, May 19, 1962]

A FINE SENATOR

The decision of the senior Senator from Connecticut, PRESCOTT S. BUSH, of Greenwich, to withdraw from the race for reelection this fall causes mixed emotions among friends and acquaintances of the Senator. The first of course is that his health improves to the extent that he will have many more years of useful life. The second reaction is that the absence of Senator BUSH will be felt by his party, his State and his Nation.

PRESCOTT BUSH, in the 10 eventful years he has served in the U.S. Senate has earned the respect and esteem of his colleagues on both sides of the aisle. Back home in Connecticut the Senator is recognized as a dedicated and conscientious public servant who has worked hard for his State and his Nation since taking office in 1952.

It is mere speculation as to what effect the Senator's decision may have on the fortunes of the Connecticut Republican Party this fall. But there is no question that a man of his stature makes himself felt strongly as a candidate for public office. It would be folly to believe that any party can lose a candidate like PRESCOTT BUSH and not suffer for it.

At the moment it seems probable that the Republicans will select former Governor John Lodge to fill the void caused by Senator BUSH'S decision. However, if Lodge could have secured the gubernatorial nomination and have run with Senator BUSH, that would have been the most formidable combination that the State GOP could have presented.

Senator BUSH took a keen interest in any number of varied problems which were put before him. He was just as interested in

using his good offices to help solve a local problem as he was devoted to the national interest. We can well remember his tireless energy at the time many parts of our State were stricken by the floods of 1955.

Here in Bristol we know of how hard Senator BUSH has worked to bring industry to our community to relieve the employment situation and to press for Government contracts for some of our key industries.

Over the years, Connecticut has had some fine representatives in the U.S. Senate. We believe that it can be said without fear of successful contradiction that PRESCOTT S. BUSH rates with the very best of them.

We regretfully accept his decision to retire from the Senate and wish him the very best of happiness as he prepares to return to private life. He has richly earned the good wishes of the people of his State and Nation as the highest possible type of public servant.

[From the Meriden Journal, May 18, 1962]

A GOOD SENATOR BOWS OUT

Senator PRESCOTT BUSH'S announcement that he will retire at the end of his present term was apparently a complete surprise to Republican leaders as well as to the rank and file of the party. His renomination at the party's State convention, to open June 4, had been taken for granted.

By next January, when his term expires, Senator BUSH will have served in the Senate for 10 years. He has been a faithful, hard-working Senator who has compiled an excellent record of accomplishment. He has never failed to go to bat for legislation which he considered to be in the best interests of the State and the Nation, and he has always opposed measures which he believed inimical to those interests.

It must be gratifying to the Senator that all the regrets expressed because of his approaching retirement did not come from his own side of the aisle, or from Republicans outside Congress. Democratic colleagues praised him warmly. Democratic National and State Chairman Bailey spoke in high terms of his integrity and character. Senator DODD and Congressman-at-Large FRANK KOWALSKI had good words to say about him. Secretary of Health, Education, and Welfare Ribicoff commented similarly. Republican State Chairman Pinney said that his retirement was "sad news for all the people of Connecticut and the Nation," and Republican leaders in Congress and elsewhere registered sorrow at Senator BUSH'S approaching departure from the Senate.

The Senator's announcement had additional impact because of the many declared candidates for the Republican nomination for Governor and because of the Senate opening to be created through the BUSH retirement. Almost immediately several aspirants to the Senate seat declared their intentions, but it took more than a day for John D. Lodge, former Governor and former Ambassador, to make up his mind that he would rather be a Senator than return to the position of Connecticut's chief executive. He is assuming, of course, that the majority of delegates to the State convention and the majority of voters would like to see him there.

Senator BUSH quite wisely refrained from endorsement of any of the Republican aspirants for the Governorship, but promised to campaign vigorously for the party's choice. His reasons for removing himself from the Senate were understandable, and seem entirely valid. He does not believe he is capable physically of standing the strains which he has withstood in the past, both because of his age and the present condition of his health. Moreover, his doctor has advised him against running again. He has earned the opportunity for rest and relaxation, and we hope that his years will be lengthened by his decision. Connecticut owes a great deal to Senator BUSH, and wishes him the greatest possible enjoyment of his leisure after his term expires.

[From the Meriden Record, May 19, 1962]

WE WILL MISS HIM

It is still with a sense of deep shock that we realize Senator PRESCOTT S. BUSH is retiring from active political life in service of the people of the State of Connecticut. It has been 2 days since he dropped the bombshell in our midst. But we haven't accustomed ourselves to the idea even yet. It is not that we believe any one person is indispensable in a given job. The Senator, when he made his startling announcement, most generously pointed out the presence in Republican ranks of much good talent and many younger men, capable of carrying on the senatorial responsibility. But it takes us time to face the facts of a change so important as this one.

Senator BUSH has given 10 years of excellent service to Connecticut. He has done a good—a better than good—job straight through. It has been such a thoroughly conspicuous feat of accepting heavy responsibility and executing the work it entails, that all of Connecticut had learned to depend on him implicitly, even if they were not always in agreement with him on certain specific issues. Members of both political camps are joined in a feeling of deep regret for his firm decision to retire. Connecticut's junior Senator DODD, and Congressman at Large KOWALSKI, both of the opposition party, were immediately and publicly articulate in expressing their admiration for Senator BUSH'S devotion to and aptitude for the Senate post.

Had he been able to continue through this campaign ahead of us with the vigor he has shown in the past, no doubt neither of these prominent Democrats would have been able to say so forthrightly that they had found him good to work with, and all the rest implied in their words of praise. The political facts of life are such that once the battle for election is joined, brickbats fly and compliments, even where richly deserved, avoided as the plague.

Stress of a political combat determined Senator BUSH to withdraw. The fight will not be an easy one this year. Maybe such a campaign is never too good for the health and peace of mind of any contestants. Good or bad, it is our system and it has worked pretty well on the whole. We can't think of a better substitute to evoke a determination of the public will.

Since Senator BUSH, on the best of medical advice, decided he is not well enough to go through the campaign and 6 more years in the Senate if he were elected, without putting a dangerous strain upon his health, we think he shows excellent good sense by his decision. If we can't have him as Senator, we can still call upon him for guidance and leadership and advice. Surely his experienced knowledge will be utilized in many ways in further service to Connecticut and to the Nation.

Political circles are all a-twitter with the reshuffling of candidates for the two top honors, Senator and Governor. But we should all be pausing long enough to properly honor Senator BUSH for all he has done for us. Not only in the Senate has he given us reason to be proud of him. His manner of withdrawal from the political field is to be highly commended. His announcement was quick, unequivocal and a masterpiece of proper timing. We wish him happiness, full contentment in realization of a job well done, and long years ahead to enjoy good health. We will miss him in the Senate but expect him to continue as a factor in our State and national affairs. His heart is in Connecticut and Connecticut holds him in the warmest esteem.

[From the Hartford Courant, May 19, 1962]

HOW WE DESTROY OUR PUBLIC SERVANTS

The one aspect of the proposed retirement from the Senate of PRESCOTT BUSH that should not be overlooked is the manner in which the voting public wears out a public servant by inordinate demands. Senator BUSH is a man of more than ordinary stamina and physical condition. Despite his years he could still be described as a trim, well-conditioned man who shows now the effects of years of fine physical conditioning through sports. But Mr. BUSH confessed that he no longer felt able to meet the demands, not only of the actual Senate duties but by what might be called the extramural activities that any Senator omits at his peril.

What does that mean? It means in substance that nearly every week he must take to the road and cover as many fish fries, barbecues, bean suppers, strawberry festivals as possible. And in between the actual events, as he explained wryly the other day, he is expected to take one or two little side trips of a hundred miles or so, just to drop in on a small group and say hello.

Then at the end of this wracking weekend, he is supposed to fly back to Washington. There he will be met by a mountain of mail, some of it important, much of it trivia, but all asking for information, guidance, help, and all of it having to be attended to swiftly and efficiently. Of course, there are the regular Senate duties, too. And for a man as conscientious as Mr. BUSH, this implies a great deal of homework. For Mr. BUSH is the unusual Senator who always likes to know what he is talking about.

When you add all these things together you get the picture of a conscientious man who is being worked to death by well-meaning but importunate constituents. There is, of course, a well-recognized difference between good candidates for office and good officeholders. But under our system we insist that the officeholder continue to be a candidate through his whole term, in preparation for the next election. Mr. BUSH is a realist. He knew that while no single individual or group had any intention of destroying him by their invitations, collectively they were nibbling him to pieces. He is a wise man to call it quits. It would be nice if this example of the forced retirement of an eminent public figure through overwork would cause the electorate to be more thoughtful in the future. But it won't.

[From the New Haven Journal Courier, May 21, 1962]

BUSH OUT OF RACE

The confusion reigning in State GOP circles was turned into consternation by the unexpected withdrawal of PRESCOTT BUSH from the U.S. Senate race in this fall's elections.

Connecticut citizens generally were surprised by the sudden development. Rank and file Republicans obviously were stunned at the news. Party leaders, one may assume were temporarily at least in a state of political shock.

Regrets, nevertheless, were expressed and sincerely so on the decision of Senator BUSH not to seek reelection; likewise, understanding has been shown of his reasons for doing so. After a distinguished record in Washington the senior Senator from Connecticut feels it necessary at 67 and on the advice of his doctor to retire at the end of his term. Recognition of the fine job he has done in the service of his State and party, and in the national interest where it had devolved upon him is not limited to Republicans alone. Press and popular acclaim of a job well done is being accorded PRESCOTT BUSH.

Withdrawal of the candidate counted upon to be a GOP hope and strong contender on the fall ticket at the moment

would seem to tilt the board to the advantage of the Democrats. BUSH has been judged a hard man to beat; enough so that the party organization has looked to HEW Secretary Ribicoff to quit President Kennedy's Cabinet, return to Connecticut and seek the Democratic nomination for the Senate seat. That, in itself, has been a measure of BUSH's challenge.

But the daze in which the Republicans found themselves in the first hours of the withdrawal has been short-lived. It has been fast dissipating in GOP moves which give promise of pulling the Republicans together—and out of their muddled disunity over the gubernatorial spot.

Paradoxically, Senator BUSH's action may have been just the shock treatment the GOP needed. With the Republican State convention a little more than 2 weeks away there are signs that intraparty conflicts are about resolved.

[From the Windsor Locks Journal, May 17, 1962]

A STATE LOSS

The announcement made by Connecticut's senior U.S. Senator, PRESCOTT BUSH, of his retirement from that office with the completion of his present term next January, was a decided shock to his legion of friends not only in this State, but throughout the Nation.

In an unexpected announcement yesterday of the contemplated retirement from political life, of a highly thought of Senator, this State stands to lose a public servant that took his duties of office seriously. He was one of the hardest working Members of this and past sessions of Congress ever since being elected to the high office.

In his statement of retirement, Senator BUSH said that the duties of office were too strenuous for him to further face, and on advice of his doctor, he made the decision to retire from the Senate.

The State of Connecticut has been fortunate in having as one of its congressional Members, a man of the high caliber of Senator PRESCOTT BUSH. He advised his Republican Party that it had many men younger and well qualified to fill the duties which he is relinquishing. It behooves his party therefore to seek out and name a candidate that will measure up to filling the office being relinquished by a beloved Senator.

[From the Westport Town Crier, May 20, 1962]

PRESCOTT BUSH

It must be disturbing to Senator PRESCOTT BUSH that so many of the comments being made about his retirement sound frighteningly like obituaries. The words of tribute and regret that we say here will be said in the full expectation that the Senator's public service is far from ended, and that he will not only be called upon, but will respond, to further challenges.

It is, indeed, regrettable that he found it necessary to retire at this time. We know that he enjoyed his job, and that his charming wife enjoyed the post of aid and confidant that she filled so well. He worked at it, too, and it apparently left him with too small reserves of energy to undertake what will undoubtedly be a grueling campaign.

There was nothing spectacular about PRESCOTT BUSH in the Senate, just as there is nothing very spectacular about our most competent business executives. He tackled his Senate job much as a businessman would tackle a new assignment. He was exceedingly diligent in looking after the interests of his State, without forgetting for a moment that the interests of the whole people sometimes had to take precedence.

Senator BUSH has been a model exponent of the Eisenhower "middle-of-the-road" philosophy in Government. By habit a fiscal conservative, he brought a businessman's thinking into the legislative discussions. However, he never became one of those flamboyant advocates of economy at any price, and never allowed his natural prudence to blind him to costly needs either on the domestic or the foreign scene.

"PRES" was not a natural politician. He didn't find it easy to learn to mingle with the crowds and to behave with the easy informality that American politics demands of its leaders. But he did learn, and became in the end quite an effective campaigner. It is our considered opinion that his scheduled contest with Mr. Ribicoff would have been a tight one, and not necessarily with the odds favoring our flamboyant ex-Governor.

Before entering the Senate, Senator BUSH was an investment banker. His career in Washington proved once again that a business career is a more than adequate preface to public service, and that businessmen no more go to the Halls of Congress as pleaders for a special group than do lawyers.

The Senate of the United States will miss PRESCOTT BUSH. Perhaps, however, when his health has been recouped, Washington's loss can be Connecticut's gain. There's plenty for a man of the Senator's talent to do right here in his own backyard.

[From the Rockville Leader, May 24, 1962]

A CANDIDATE WITHDRAWS

The withdrawal from the coming campaign of Senator PRESCOTT BUSH as candidate for reelection came as a great surprise to everyone and has caused regret not only among Republicans but Democrats as well, all of whom have only the greatest respect for Senator BUSH.

We in this part of the State are not acquainted with Senator BUSH personally, but we all know from the record that he has made this State a fine lawmaker. He has belonged on the liberal side and has had the courage of his convictions.

For Senator BUSH to withdraw at this late date must mean that his health is not all it should be, or at least that he does not feel in all fairness to himself or to the State that he can continue. We suppose that there are Members of Congress who are not hard workers and who are not affected by the strenuous pace which a conscientious Congressman must follow. The great majority, including Senator BUSH and the others whom we have known personally, work hard in serving their State, and this hard work takes its toll.

We feel sure that everyone in Connecticut realizes that Senator BUSH decided to withdraw only after the most thoughtful consideration and that the people of Connecticut will wish him well in his retirement from active politics.

The coming campaign is going to be a strenuous one, and there is no question but what strenuous campaigns are only for the most energetic and physically fit. We sometimes wonder how the candidates survive a campaign when we see the pace they set.

We have often felt that campaigns are altogether too long and that nominations should come closer to election day. Certainly this year, the race for the Republican nomination for the governorship has been a lengthy one, and we think, wearing to both candidates and public alike. Candidating has gone on for not far from a year in some cases.

With only about 2 weeks to the State convention, the campaigning for Senator must be short, which is probably just as well. Once intraparty problems are settled, we can settle down for the contest between the two major parties for the top offices.

[From the Washington Post, May 18, 1962]

STIR IN CONNECTICUT

The chorus of regret elicited by Senator PRESCOTT BUSH's decision to retire from the Senate at the end of his term in January is a tribute to his service and not a challenge to his judgment. A Republican of liberal tendencies, an indefatigable worker and a likable personality, Mr. BUSH has served his country and his State well. But he is not the type of man who must cling to his office until his dying breath. Having felt the strain of his rigorous 7-day workweek in recent months, he wisely concluded that another 6 years in the Senate, which would carry him well into his seventies, would overtax his strength.

"Fortunately," Mr. BUSH commented in announcing that he would not seek reelection, "we have able, younger men available who will do full justice to the duties and opportunities involved." Few men have the capacity for such objective judgment about their own personal careers, and the fact that Senator BUSH is one of them accentuates the sense of loss in his decision to quit public life.

[From the Evening Star, May 22, 1962]

FINE SENATOR RETIRES

The wholly unexpected announcement by Senator PRESCOTT S. BUSH, Connecticut Republican, that he will not run for another term is bad news. And, as was to have been expected, the political rumors have really taken wing.

Senator BUSH, who is 67, did not quite say that he is retiring because of poor health. Instead, he said he is tired, and that he does not have the "strength and vigor" for another campaign or another term. He added that his doctor's advice reinforced his decision to withdraw.

Mr. BUSH's probable opponent would have been HEW Secretary Ribicoff. They opposed each other for the Senate in 1952, Mr. BUSH winning by about 30,000 votes in a total of more than a million. So, had they been pitted against each other again this year, another hard fight would have been certain. In this respect, Mr. Ribicoff is the beneficiary of Senator BUSH's decision. The loser, and we say this with no thought of disparaging Mr. Ribicoff, is the Senate, and, indirectly, the country. Mr. BUSH has been a fine Senator and we are sorry to see him retire.

[From the Hartford Courant, May 22, 1962]

PATRICIAN

(By Thomas E. Murphy)

I wonder how many people in Connecticut realize what a really fine public servant they are losing in the retirement of PRESCOTT BUSH from the Senate campaign. I have seen a lot of political figures go and come; I even date back to one classy Governor who wore patent-leather shoes with buttons. But in the collection of individuals in high office there was a rare collection of stuffed shirts, pinheads, and just plain showoffs. Only two or three times in a lifetime do you come on such an authentic character as Senator BUSH. He was shaped, not by political office, but over a long period of years, and with a tremendously wide frame of reference. When he ran for office, he was not the familiar stereotype who has learned all the spread-eagle phrases, and all the hoary little jokes.

Strangely enough in public life the boy who sprang from the log cabin often turns out to be the most insufferable stuffed shirt when he achieves high office. But Senator BUSH was just the opposite. He came from the rarefied atmosphere of high finance and, despite his Whiffenpoof Wall Street background, he is just about as unpretentious a man as you could ever meet.

He is tall, handsome, clear-eyed and with a stomach that is as flat and hard as a tabletop. He is a meticulous but not a foppish dresser and has just about everything: looks, brains, money, social background. As someone once observed about him, when he enters an office all the other men at that conference

look shorter, fatter, uglier, older, shabbier, and stupider. He is in short a real patrician.

The decision to withdraw from the race was that of a man who is used to weighing facts and to act logically on them. He could have gained no more honors than he now has, and he could have lost health, perhaps even more. Being a good Senator is a tough job because people are pulling away at you all the time.

I must admit that I called on the Senator once myself for help. My oldest boy was caught in the middle of the revolution in Baghdad a few years back, and we could not get any word about him. But Senator BUSH cut through the red tape for me and before I knew it, we had the word and the boy was being flown out by plane. Multiply that incident by a couple of thousand and you have some idea of the stresses and strains that a Senator takes on as his daily task, in addition to the actual lawmaking in the Senate.

I am a hard man to please in politics, and you can take my word for it Senator BUSH stands well in foreground of the many able men we have had representing us in the Senate, men like Maloney, Danaher, and the like. He is making a wise decision but the people of Connecticut are losing an eminently able, distinguished Senator. A nice guy, too.

[From the Willimantic Daily Chronicle, May 17, 1962]

THE STATE LOSES A GOOD MAN

The withdrawal of Republican Senator PRESCOTT BUSH as a candidate for reelection not only came as a surprise, it was somewhat of a shock. It was a well-kept secret. Even the political pundits were taken by surprise.

But politicians and citizens were quick to respond to the BUSH announcement. Democratic Senator THOMAS DODD responded on the floor of the U.S. Senate with words of praise for BUSH. Democratic Congressman FRANK KOWALSKI, who is seeking BUSH's seat in the U.S. Senate, also responded with praises for BUSH.

During schooldays one reads of the great Senators like Daniel Webster. One man from the South who recently saw Senator BUSH speaking said, "Senator BUSH looks like I always imagined the great Senator Daniel Webster would look."

But the senior Senator from Connecticut did more than look the part. BUSH was not one to sidestep a question. He usually attacked it head on. Eventually he always took a stand. Members of the news media could count on the Senator for a forthright statement. Senator BUSH wanted to keep the people of the State and Nation informed.

Citizens can sympathize with a 67-year-old man who says the demands on his time and energies required by the Senate necessitates his retirement. In the case of Senator BUSH he went above and beyond the call of duty. He made it a point to listen to all sides of a question. He was a constant speaker around the State. He was a respected speaker on the floor of the U.S. Senate.

[From the Danbury News-Times, May 18, 1962]

SENATOR BUSH WITHDRAWS

The withdrawal of U.S. Senator PRESCOTT BUSH from renomination by the Republican Party is the biggest political surprise in a year already marked by many unusual political developments in Connecticut.

When Senator BUSH decided that his health made it inadvisable for him to seek reelection, he called a conference of party leaders and then a press conference to disclose his unexpected decision.

The confusing situation in the Republican Party with its seven candidates for the Governor's nomination, became a bit more confusing. However, there is the possibility that before the week is out, a couple of the candidates may get together with mutual promises of support and seek to split the two top offices between themselves. Whether this would clarify the present confusion remains to be seen.

The political developments in the wake of Senator BUSH's announcement are intriguing, of course. But they should not obscure one fact which stands out.

That is the candid manner in which Senator BUSH acted once he came to the conclusion the nomination ought to go to a younger man. His renomination was a "sure thing," as far as politics go. Others might have been tempted to delay until the eve of the convention, or even to accept renomination and then withdraw, handpicking a successor.

But Senator BUSH spoke out frankly. In so doing he added to the considerable stature he had already gained through his 10-years' service in the Senate. Democrats and Independents, as well as Republicans, join in good wishes to him as he enters his final months in public office and prepares to return to private life.

[From the Manchester Herald, May 20, 1962]

SENATOR PRESCOTT BUSH

This newspaper found it a rewarding privilege to support PRESCOTT BUSH for public office. He fought cleanly and intelligently for a brand of republicanism, for a standard of public service, for the kind of foreign policy which made sense and honor in a turbulent era and an upsetting world.

Others have found an entry into the political arena some kind of requirement toward cheapness, toward the design of some premeditated image, toward the campaign line that would be sure to follow the public opinion polls. But PRESCOTT BUSH came to politics as PRESCOTT BUSH and he leaves it as PRESCOTT BUSH, and, in the interval of his public service, nobody has ever been able to corral or catalog or collar him. He answered only to what he himself believed. And what he himself believed was usually sound, sensible, middle-road Americanism, given neither to wild crusades nor to standpatism, but always confident that there had to be a way forward which made for sense and decency.

[From the Connecticut State Journal, May 1962]

PRESCOTT BUSH—EVERY OUNCE A MAN

(By Jerry Hallas)

Announcement by Republican U.S. Senator PRESCOTT BUSH on the day after his 67th birthday that he would not seek reelection caught political friends and foes by surprise. Some people "in the know" had been looking for a different kind of an announcement. They had hoped that Senator BUSH would show his preference for one of the several gubernatorial aspirants.

News of a press conference in Hartford, unusual for the Senator, broke on his birthday, but beyond that it was to be an important conference and having something to do with the campaign it was a well-kept secret from news sources even on the day of the press conference.

Senator BUSH came to his decision following a visit to his physician just before his birthday. The decision was, as he said, "a prayerful one."

One of his aids was summoned to Washington, and he learned of the stunning turn of events. The latter's attention had been on a campaign for some time.

Any other interpretation of why Senator BUSH withdrew could be more elaborate with the "I's" or "t's" crossed, but probably will be untrue and in this day of free-swinging politics even a disrespect to a man who devoted almost 10 years of service to his country, State, and world. He was every inch a man as U.S. Senator. He will be when he is not Senator, after he serves out his term.

Like the gracious lady that she is, Mrs. Dorothy Bush is behind her husband 1,000 percent.

PRES BUSH brought to Washington with him many personal attributes, such as integrity, honesty, and qualities which he values above politics. Most of the activities have not made news simply because they were not performed by a publicity conscious individual for notoriety purposes.

When he played first base on the Yale team, people watched a colorful shortstop, but today those same people can't recall that shortstop's name.

PRES BUSH can drive a ball on the golf course that would please some professionals. This prowess as a golfer was more than enough to get him invites to play with Ike when he occupied the White House.

One thing PRES BUSH is not is a faker. He doesn't have the personal ingredients like dishonesty, lack of intestinal fortitude, moral and physical, etc., etc.

PRES BUSH has been, and is, a man of principle. In today's market these are more rare than a nice day in June, and just as refreshing.

In Washington senatorial circles in recent months BUSH's abilities and activities have tended to receive recognition by the National Republic Party by casting the toga of the late Senator Robert Taft on his shoulders in matters of extreme economic importance. BUSH has greeted this with a knowing smile, but modestly has done little to exploit matters publicitywise. His knowledge of the effects of such complicated things as the peril point and escape clause in the trade bill is shared by few Senators.

In 1956 he was urged to adopt and develop the idea of an incentive income tax plan. He gave it some thought, but after advice from economists he abandoned the idea as being inflationary. Since that time even J.F.K. has proposed in messages to Congress some elements which are not too different from what BUSH had under consideration.

PRES BUSH, as a Senator, has not been an ultraliberal, nor a reactionary. He has often been described as a moderate Eisenhower Republican, which comes somewhere near the political truth.

He has never disguised his interest in Connecticut's economic climate. His efforts following the 1955 flood disasters serve as proof of his philosophy. On the other hand, he has not been beyond opposing sectional interests, when in his judgment the economic welfare of the Nation was involved. Such a reaction often mystified people who claimed they were good Republicans.

Political friend and foe will agree that PRES BUSH has been a devoted and conscientious public servant in his decade in the U.S. Senate.

There are literally thousands of examples where the intervention of Senator BUSH benefited persons regardless of political affiliation.

This happens to be only one of the reasons why this writer firmly believes that Senator BUSH would be reelected, regardless of who his opponent would be. He happens to be better than just a good Senator, and you can check that with high ranking Democrats as well as Republicans, inside Connecticut as well as in Washington.

Only a few voters have a keen concept of the many things a job of Congressman, or one of U.S. Senator involves.

In his announcement Senator BUSH mentioned some of the things such as a 7-day week.

For some strange reason, people, including wardheelers think of any State job as a "soft job," which today is a disservice to Democratic and Republican officeholders on the national level.

A conscientious public servant, be he a Congressman or Senator, cannot cut his workload down to a 40-hour week—even with automation. The problem of being in two

places at one time has been solved, but three and four is not easy.

Just the increase in the number of visitors to Washington is enough to drive a receptionist "nuts" when the purpose is to say "hello." And people from Connecticut do visit Washington at other times than cherry blossom time.

In these swift moving days of major changes in key national and international political and economic problems, Connecticut Republicans and Democrats have many reasons to have a U.S. Senator of the stature of PRES BUSH to represent them.

Some folks appreciate that his wide and intensive knowledge of international banking and trade matters are a service to Connecticut. These same people often completely disregard him as a human being. Now and then some brave and understanding soul, such as State Senator Florence Finney of Greenwich, tries to explain.

PRES BUSH has developed a reputation over the years of being good at anything he sets his mind and heart to.

[From the Farmington Valley Herald, May 24, 1962]

SENATOR BUSH RETIRES

Many words have been said about PRESCOTT BUSH, our senior Connecticut Senator, all highly complimentary as they should be. His integrity has been extolled, his ability, his dedication and his unstinting effort for the common good praised from one end of this State to the other, and from one corner of the country to the next. There are few if any words to add to the accolades already spoken.

We think, though, that to have known one good man—one man who, through the chances and rubs of a long life, has carried his heart in his hand, like a palm branch, waving all discords into peace, helps our faith in God, in ourselves, and in each other more than many sermons. We have known PRES BUSH as many in our Farmington Valley have known him, and all of us who have known him have been helped in our faith in God, in ourselves and in each other by his friendship.

Senator BUSH's bombshell announcement that he would not seek renomination to the U.S. Senate came with the total honesty, integrity and dignity that is so characteristic of him. He indicated that the pressures of his responsibilities have placed a drain on his physical resources to the point where his sacrifice would have to include his health.

[From the Hartford Times, May 17, 1962]

IT NEVER RAINS—IT POURS

Regardless of politics, Connecticut has been proud of PRESCOTT BUSH.

He has set an example of what a U.S. Senator ought to be—a man of public and personal quality. Devoted to the State and National welfare, he has been a straight-shooter, able and sincere in every circumstance and under every demand.

So it is a startling and dismaying thing for the State to learn that he is withdrawing and will not be a candidate for reelection.

We have not always agreed with him and we might not have gone down the line with him had he remained in the running.

That does not in the least alter the esteem in which we, or his fellow citizens generally, hold him.

No less than the State at large, the Republican Party, too, will feel his loss.

[From the Washington Star, May 19, 1962]

BUSH WITHDRAWAL A REAL LOSS

(By Gould Lincoln)

Senator PRESCOTT BUSH's decision not to seek reelection has stirred Connecticut politics with a big spoon. But, more important, it means the retirement of a U.S. Senator worthy of the name. His wide experience in the financial and business worlds was valuable to the Senate Banking and Currency Committee and to the Joint Economic Committee, of which he is a member, and to the Senate Armed Services Committee. A great worker always, Senator BUSH has won both the respect and affection of his colleagues.

[From the Lakeville Journal, May 24, 1962]

SENATOR PRESCOTT BUSH

Senator BUSH, in our book, was the near-perfect representative of the whole people—a characteristic which we have always felt should be inherent in all candidates after election, but which far too often is lacking.

Senator BUSH may not always have voted as we or others would have liked, but we have never read or heard the accusation that he ever voted strictly for personal or party reasons, or that he did not weigh all the evidence and think of all of his constituents, not to mention the broader constituency which national Senators should think of—the whole people and their welfare.

Not as effective on a platform as many, he was far more effective in direct action and in personal contact, where his sincerity and deep feeling for humanity and the problems of all people became very evident. He will be sorely missed.

[From the Ridgefield Press, May 17, 1962]

SENATOR BUSH RETIRES

PRESCOTT BUSH, the friendly and distinguished gentleman from Greenwich who has visited our town many times in the 10 years he has been a U.S. Senator, has regretfully decided not to seek a new 6-year term in the "greatest deliberative body in the world." At 67 he wants to relax a little instead of working 7 days a week. His decision is entitled to the greatest respect. We wish him and Mrs. Bush many happy and pleasant years away from the official and demanding life in Washington.

Senator BUSH has been generally to the left of his fellow Republicans on public issues since he took office, adopting an open mind on questions and ever being prepared to adjust his thinking to changing world and national conditions. His advice and opinion have been highly regarded by his colleagues in both parties, though, of course, he has not always been on the prevailing side.

Mr. BUSH's decision not to run again has brought forth a barrage of statements and comments in praise of him and his service to State and Nation. We are happy to join in this widespread tribute.

[From the Brookfield Journal, May 24, 1962]

BUSH'S BOMB

This new tempest within the Republican Party is, we think, the best tribute which could be said to PRESCOTT BUSH. For 10 years he has had the field to himself because of his stature and performance in Washington.

A singular honor was paid by President Eisenhower when he said that Senator BUSH was one of six men whom he could accept working alongside him as Vice President.

We wish Senator BUSH well as he approaches retirement, hoping that he will find many rewarding years in private life among his grateful fellow citizens.

[From the Bridgeport Herald, May 20, 1962]

SENATOR BUSH'S SENSATIONAL WITHDRAWAL

Politically sensational, with the GOP June nominating convention so close by, was the news PRESCOTT BUSH has decided to retire from the U.S. Senate rather than campaign for a third term.

The health reasons he advanced for his decision serve to dramatize the heavy demands the office places on a national legislator.

Senator BUSH's position in the Eisenhower hierarchy enabled him to bring about legislation that benefited his constituents, regardless of political persuasion, including appropriations for highway funds, housing and slum clearance, small business aid and flood rehabilitation, control and prevention.

In 1956, President Eisenhower, in a "DEAR PRES" letter, said: "For your consistent advocacy of principles of sound government and of measures essential to the public good, you have my warmest thanks."

Along with Ike, to "PRES" BUSH, a man of principle, guided by the highest tradition of the U.S. Senate, Connecticut says: "Warmest thanks."

[From the New Milford Times, May 24, 1962]

BUSH'S BOMB

If last week's bombshell dropped by Senator PRESCOTT BUSH when he announced that he will not seek reelection to the Senate this fall has done nothing else, it effectively reduced the field in the seven-way race for the GOP nomination for Governor when ex-Gov. John Lodge withdrew from his untenable position as unannounced candidate and set his cap for the Senate.

But it did something else. It set up a new contest which will share the headlines with the gubernatorial race during the future weeks before the June convention.

This new tempest within the Republican Party is, we think, the best tribute which could be said to PRESCOTT BUSH. For 10 years he has had the field to himself because of his stature and performance in Washington.

A singular honor was paid by President Eisenhower when he said that Senator BUSH was one of six men whom he could accept working alongside him as vice president.

We wish Senator BUSH well as he approaches retirement, hoping that he will find many rewarding years in private life among his grateful fellow citizens.

[From the Wilton Bulletin, May 23, 1962]

SENATOR BUSH RETIRES

PRESCOTT BUSH, the friendly and distinguished gentleman from Greenwich who has visited our town many times in the 10 years he has been a U.S. Senator, has regretfully decided not to seek a new 6-year term in the "greatest deliberative body in the world." At 67 he wants to relax a little instead of working 7 days a week. His decision is entitled to the greatest respect. We wish him and Mrs. Bush many happy and pleasant years away from the official and demanding life in Washington.

Senator BUSH has been generally to the left of his fellow Republicans on public issues since he took office, adopting an open mind on questions and ever being prepared to adjust his thinking to changing world and national conditions. His advice and opinion have been highly regarded by his colleagues in both parties, though, of course, he has not always been on the prevailing side.

Mr. BUSH's decision not to run again has brought forth a barrage of statements and comments in praise of him and his service to State and Nation. We are happy to join in this widespread tribute.

[From the Middletown Press, May 17, 1962]

BUSH BOWS OUT

Senator BUSH retires now with many fond memories, the knowledge that he bowed out gracefully while still at the height of his powers, with a record of many friends, and with the realization that his action can play

a part in the rejuvenation of the GOP. The Democrats, with their usual skill and farsightedness, have been thinking ahead; it's time for the GOP to do the same.

MASS DEPORTATION OF BALTIC PEOPLE

Mr. SALTONSTALL. Mr. President, this week we commemorate the anniversary of a most tragic period in the history of three Baltic nations—Lithuania, Estonia, and Latvia. It was on June 15, 1940, that the Soviet Army swept across the Lithuanian borders and forced this peace-loving country under the Communist yoke. By June 17, both Estonia and Latvia were occupied. Mass deportations followed in which more than 50,000 people were sent to prison camps in eastern Russia.

Since then, several waves of deportations and arrests occurred in these countries. The most serious took place in 1949 in an effort to break the resistance of Baltic farmers against forceful collectivization of their land. It was at this time than an estimated 10 percent of Lithuania's population was driven to Siberia.

These captive people today constitute a great symbol of mankind's struggle against the ruthless forces of international communism. We, in turn, must provide them with the moral encouragement to continue their gallant struggle in the face of most difficult odds and hope that our words of encouragement will reach them.

On this sad anniversary, we hope and pray that most of these freedom-loving people now imprisoned in Soviet labor camps are still alive. We also hope that someday they will return to their Baltic homelands and join with their fellow countrymen in helping to regain their cherished democratic ideals of international independence, freedom and human dignity.

HANDLING OF THE BILLIE SOL ESTES CASE

Mr. TOWER. Mr. President, I shall ask unanimous consent that two newspaper articles be printed in the RECORD that serve to document and further substantiate my position, earlier expressed, that the Department of Agriculture's cavalier and defensive attitudes toward the Billie Sol Estes case have definitely served to materially lessen public confidence in the entire Federal Department.

The first article, appearing in the Amarillo Sunday News-Globe, on June 10, 1962, relates that Secretary Orville Freeman, resentful of newspaper inquiry and coverage of the Estes matter, is intimating and threatening, through principal assistants within his inner office circle, that he will take legal action against this newspaper, that has been outstanding in its coverage of the Estes case developments since the first days of the public exposures, last March.

Secretary Freeman's particular concern, expressed in a letter from his aid and assistant, Thomas R. Hughes, to Vernon Louviere, distinguished Washington correspondent for the Amarillo News-Globe, is that the article complained of could "subject him to removal from office."

I am sure, Mr. President, that Secretary Freeman's concern about his tenure in office may be well based and well grounded. However, I am likewise sure that the article complained about will have nothing whatever to do with the circumstances of his possible departure.

The article complained about recounts that in the spring of 1961, when Billie Sol Estes was under consideration for appointment to the National Cotton Advisory Committee, that the Department's first investigative report was adverse, and that a second and "clean" report was thereupon ordered as a basis for the appointment.

Whether this report was personally ordered by Secretary Freeman, by Under Secretary Charles Murphy, who has endeavored to assume as much responsibility as possible for Billie Sol Estes matters, or by some still lesser official, is immaterial, as the Cabinet member is the responsible authority, as is well known.

I am likewise convinced that Mr. Louviere's sources are reliable and need to be protected, undoubtedly to insure the tenure of the official who made the disclosure, or permitted it to be made, in the public interest.

Mr. President, the second article I ask unanimous consent to introduce in the RECORD is from the June 8, 1962, edition of the Dallas News, is written by the distinguished Washington correspondent of the News, John Mashek, and is titled "Freeman Seen Trying To Turn Estes Tide."

The article recounts that while Secretary Freeman is threatening, through principal assistants, to bring suit because of unfavorable or unfriendly newspaper accounts, he is hosting favored Washington newsmen at luncheons and social chats in an effort to win their good will. This exercise and technique speaks for itself, and the article tells the story thoroughly and well.

Mr. President, I ask unanimous consent that these articles be printed in the RECORD following my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Dallas Morning News, June 8, 1962]

FREEMAN SEEN TRYING TO TURN ESTES TIDE

(By John Mashek)

WASHINGTON.—Secretary of Agriculture Orville Freeman is apparently on a two-pronged attack to turn the tide of the so-called "bad press" in the Billie Sol Estes case.

In one action Freeman has written a letter, through his executive assistant, to the representative of one newspaper threatening libel action over a news story in connection with the case.

In the letter, Freeman's top assistant specifically said that if the secretary is fired because of the case, this news story would become an open-and-shut case of libel.

(There have been whisperings and rumors in the administration that Freeman is on his way out, but President Kennedy has remained loyal to the former Minnesota Governor.)

While tossing out the libel challenge on the one hand, Freeman Thursday invited six news representatives to lunch for an informal chat about agriculture in general. The Estes case, of course, came up during the conversation over lunch.

The Department said that it had not singled out any special reporters for the meeting and had, in fact, invited representatives of newspapers whose editorial policies could be considered unfriendly. Such was the case.

Rodney Leonard, the Department's press chief, said the meeting was one of many called to allow reporters to talk with Freeman informally. He said many subjects were discussed including the Common Market, administration of the Department and the Estes case.

(Leonard said there was nothing new on the Estes case in Thursday's meeting.)

Leonard said this was not the first informal meeting with the press since Freeman became embroiled in the Estes case.

But it apparently was the first large-scale meeting. Other meetings since any of Freeman's words on Estes would have been important have been restricted to one or two individuals in his office.

The press chief said there would be more informal press meetings with Freeman during the next month. He said they would include bureau chiefs who could sit down and discuss many issues with the Secretary.

He insisted that the meetings would not be confined to whether or not the newspaper representative was considered unfriendly to the Department.

At any rate, Freeman's letter on the possible libel suit—written by executive assistant Tom Hughes, indicates the uneasy situation in the Department over the outcome of the Estes case as it involves the Secretary.

The admission that a possibility of dismissal exists is unique for a Secretary who has been defended by the President.

There also is a question of timing on the informal chats with reporters in the light of the controversy on the Estes case.

At Freeman's first press conference on the Estes matter, he described it as a lawyer's quarrel and one blown out of proportion in the press.

He has not had an open news conference since that time.

[From the Amarillo, Tex., Sunday News-Globe, June 10, 1962]

FREEMAN LEGAL THREAT AGAINST PAPER IS SEEN

Secretary of Agriculture Orville Freeman has intimated that he will take legal action against this newspaper as a result of a story on the Billie Sol Estes case.

The implied threat was contained in a letter written last week by Freeman's executive assistant and directed to a Washington correspondent.

Thomas R. Hughes, author of the letter, stated that counsel for the Secretary had advised Freeman that a statement in the Amarillo Sunday News-Globe of May 6 constitutes libel against him.

Hughes did not say that court action would be taken, but asked Vernon Louviere, reporter of the story in question, for comment in writing "before proceeding any further with this matter."

At issue are three paragraphs included in the story which said Freeman rejected in May 1961 an adverse report on Billie Sol Estes and ordered that a "clean" one be submitted in its stead.

Louviere had attributed the incident to "a highly reliable source." The source has not been divulged.

The three paragraphs at issue are as follows:

"Meanwhile, from a highly reliable source, it was learned that Agriculture Secretary Orville Freeman rejected in May 1961, an adverse report on Estes who was being considered for appointment to the National Cotton Advisory Committee.

"Freeman, according to the source, sent the report back and ordered that a 'clean' one be turned in in its stead. Estes was appointed to the post 2 months later, reappointed last November, and resigned after his arrest by the FBI on multiple fraud charges.

"The adverse report on Estes covered his 1953 activities in connection with farm storage facility loan program as well as other subsequent financial transactions with the Department."

In his letter, Hughes said the information contained in these three paragraphs is "totally and completely false."

Hughes continued: "It would appear from examination of laws of libel in the State of Texas that there are two basic considerations in a libel suit. 1. That a publication about a public officer to be libelous per se must be of such character as, if true, would subject him to removal from office. 2. That a false statement of fact concerning a public officer, even if made in a discussion of matters of public concern, is not privileged as fair comment.

"Both of these points are applicable in this case," he added.

The Globe-News papers initiated their investigation of Estes before the story became of statewide interest. The Amarillo Daily News was the first daily paper to write of Estes and hint that all was not rosy with the Pecos tycoon.

Publisher S. B. Whittenburg said the papers first became interested in Estes when it was rumored that he had an interest in Superior Manufacturing Co. here, and that his anhydrous ammonia tank deals were suspicious.

"From the very start of our investigation it appeared that a lot of people in our circulation territory were going to be hurt," he said. "Since that time we have used all resources at our command to inform our readers."

EXPANSION OF OUR TRADE WITH THE FREE COUNTRIES OF THE WORLD

Mr. SPARKMAN. Mr. President, the interest, not only of the people of Alabama whom it is my privilege to represent, but of all Americans, will be served by expanding our trade with the free countries of the world.

I believe that firmly.

But I also believe we must not lose sight of the fact that trading is an exchange.

If we are going to accept in our markets the goods foreign countries want to export—goods that are competitive with our products—then, in exchange we must insist that they allow our products—on which we can be competitive—to enter their markets.

This is the very essence of trade—a fair exchange, arrived at by bargaining.

I am concerned—and I think we should all be concerned—over what the Common Market countries propose as far as agricultural products are concerned.

What they propose is clearly intended to exclude our poultry, for example, from their markets.

I mention poultry in particular because almost three million farmers produce poultry and eggs. In fact, the largest agricultural source of cash income in my State last year was from the poultry business—broilers, eggs, and chicken products generally. Poultry and eggs are still produced more generally than any other farm product.

Poultry and eggs are the third most important source of cash farm income, exceeded only by red meats and dairy products.

Poultry and eggs provide more farm income than wheat, more than cotton, more than corn, more than tobacco.

Poultry and eggs are being produced with price-supported grain, but without subsidy or support themselves.

And they are being produced so efficiently that our chickens and our turkeys can be processed, packaged, shipped overseas, and sold competitively with poultry produced there.

The Department of Agriculture reports that last year we exported 236 million pounds of poultry. That was 3 percent of our production. I understand we are now exporting at the rate of 5 percent of our production.

This 236 million pounds, which we exported last year, was 5 times as much as we shipped abroad in 1958. That is how fast the demand for our poultry has grown. Three-fourths of this increase went to Western Europe—to the countries that, having gained access to our markets, now propose to close their markets to our poultry.

Are we going to permit our farmers to be denied markets because they have become too efficient to be allowed to compete?

Such a policy contradicts the principle on which the Trade Expansion Act is based. It contradicts the principle on which the Common Market itself is based.

Such a policy would insulate the Common Market countries from competition and put them in a position to develop and expand production that could not otherwise be justified.

This is no way to bring about the best allocation of the free world's resources, to the mutual advantage of all its peoples.

If, by our inaction, we allow such a policy to become effective, we will cause incalculable harm not only to the poultry industry, but to American agriculture and our whole economy.

It is apparent that unless we have a bargaining tool, we have little chance to prevent exclusionary devices, such as variable import levies, being imposed against our products.

The President told us:

> We mean to see to it that all reductions and concessions are reciprocal—and that the access we gain is not limited by the use of quotas or other restrictive devices.

Secretary Freeman said:

> We must make certain that any swap * * * includes assurance that reasonable terms of access will be provided for our agricultural products.

The arrangements so far have not guaranteed that the poultry producers in my State will have reasonable access to the markets they have developed for their products in Western Europe.

However, the way has been kept open for continuing negotiations.

It is imperative that we provide our negotiators with the leverage necessary to bargain effectively on behalf of our farmers and particularly our poultry producers.

In my State of Alabama poultry and eggs account for 25.8 percent of the income from all farm commodities.

I am sure the Senators from my neighboring State of Georgia will be glad to verify that poultry and eggs account for over a third of the farm commodity income in their State.

I may say that Georgia is the largest producer of poultry products in the entire United States. Up in Delaware, the figure is 57 percent.

I would remind the distinguished Senators from New Hampshire that 36 percent of the farm commodity income in their State comes from poultry and eggs, and my fellow Senators from Maine that the figure in their State is 37 percent, and my colleagues from Massachusetts that 25 percent of the income from farm products in their State is from poultry and eggs.

I could go through every State in the Union. Even when the percentage is not so high, the dollar figure is often impressive. In Iowa, for example, where poultry and eggs account for 6.2 percent of the income from farm commodities, that still adds up to $152 million.

Poultry and eggs are one of the major sources of agricultural income in this country.

Despite the importance of the industry, it is not asking favors. And I am not asking favors for it.

But it expects fair treatment.

I think you will agree that poultry and eggs, along with our other agricultural products, are entitled to fair treatment.

It is up to us to make sure they will be allowed to compete on a fair basis without handicap in all the markets of the free world.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table which shows the income from poultry and eggs in each State of the Union and their percentage of all commodities for each State.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Figures from Farm Income (a supplement to the Farm Income Situation for July 1961) issued by the Economic Research Service, USDA, August 1961

State	Income from poultry and eggs, 1960 (thousands)	Percentage of all commodities
Maine	$77,580	37.1
New Hampshire	20,475	36.5
Vermont	7,502	6.1
Massachusetts	41,851	25.7
Rhode Island	4,848	23.0
Connecticut	47,327	30.0
New York	85,112	9.9
New Jersey	83,807	27.5
Pennsylvania	162,077	20.3
Ohio	93,572	9.3
Indiana	107,383	9.5
Illinois	67,504	3.4
Michigan	50,222	6.9
Wisconsin	80,592	7.3
Minnesota	149,943	10.5
Iowa	151,854	6.2
Missouri	79,515	7.2
North Dakota	12,174	2.4
South Dakota	35,613	5.9
Nebraska	46,322	3.9
Kansas	33,603	2.7
Delaware	66,624	57.5
Maryland	79,256	28.5
Virginia	79,915	17.0
West Virginia	29,446	27.4
North Carolina	160,029	14.8
South Carolina	41,696	11.3

Figures from Farm Income (a supplement to the Farm Income Situation for July 1961) issued by the Economic Research Service, USDA, August 1961—Continued

State	Income from poultry and eggs, 1960 (thousands)	Percentage of all commodities
Georgia	$263,596	34.2
Florida	42,410	5.6
Kentucky	30,940	5.6
Tennessee	44,208	8.7
Alabama	137,577	25.8
Mississippi	96,911	16.1
Arkansas	129,725	19.1
Louisiana	27,636	7.5
Oklahoma	23,535	3.3
Texas	142,742	6.2
Montana	5,706	1.4
Idaho	8,377	2.6
Wyoming	1,539	.9
Colorado	15,480	2.5
New Mexico	5,344	2.3
Arizona	6,927	1.6
Utah	24,488	15.4
Nevada	325	.6
Washington	45,948	8.0
Oregon	36,563	8.8
California	294,576	9.3

CORPORATE FOREIGN INVESTMENT

Mr. GORE. Mr. President, the Wall Street Journal for June 14 carries an excellent "News Roundup" article on corporate foreign investment. This article should be read by all who are interested in tax equity, in the prevention of the wholesale movement of our industries to Europe, and in the short-run correction of our balance of payments.

Several interesting points are brought out—and bear in mind the comments are those of businessmen who are interested in expanding their oversea operations, particularly manufacturing abroad in allegedly low-cost countries.

It is said in this article:

A handful of companies have delayed new plant plans until they can see how Congressional tax debates come out. But the great majority are pushing ahead.

It is also stated:

Almost exactly half the companies surveyed say they probably will cut back, or at least go slow, on foreign capital spending in 1963 and future years if these provisions become law.

This article tells us two things. First, taxation does play a part in foreign investment decisions, and a more equitable method of taxing foreign operations will slow down those who are moving into foreign areas in order to avoid or evade proper U.S. taxation. The bill before the Finance Committee will not materially affect legitimate foreign operations, particularly those which serve our export markets.

It is contended by those quoted in this article that a tightening of our now rather loose taxation of foreign operations will not help our balance of payments problem in the long run. It is contended that "in the long run the dollars their foreign plants return to the United States in dividends far outnumber the dollars sent out of the United States to get them into operation." Now, this may be true. The "long run" period is, according to some Treasury calculations, about 12 to 15 years. This is too long. We need to solve our balance of payments problem in a much shorter period.

The enactment of the foreign tax provisions of the administration will result in greater tax equity as between domestic and foreign operations. This would have a marked effect on certain operations, particularly those which have been drawn overseas by the lure of low taxes in tax haven countries. There will be little effect on those who are operating without resort to tax avoidance schemes.

The wholesale export of jobs overseas will be slowed down. The export of commodities will not.

The short-run balance of payments will be helped by the slowdown in the outflow of capital funds and by the stepped-up inflow of earnings from existing foreign operations. Whether the long-run situation will be materially affected is subject to question.

Mr. President, I hope all my colleagues will read this article and that each one will draw his own conclusions, bearing in mind that any group of taxpayers will generally try to put the best possible face on any situation which will allow them to continue to escape proper taxation.

I ask unanimous consent that the article be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. COMPANIES BOOST OUTLAYS SHARPLY FOR THEIR FOREIGN PLANTS—BUT MANY PLAN TO CUT BACK LATER IF CONGRESS TAXES MORE OF OVERSEAS PROFITS—DOLLAR OUTFLOW ARGUMENT

Spending by U.S. corporations to build or expand foreign plants will shoot up sharply this year—no matter what happens to the Kennedy administration's proposals to tax more of the future profits these plants may earn.

But if the House-passed limited tax revision bill becomes law in its present form—an increasingly chancy proposition—many companies say they will curtail or slow down their foreign spending in 1963 and later years. The result, many businessmen insist, would in the end be to damage further the Nation's balance-of-payments position. Executives unanimously contend that in the long run the dollars their foreign plants return to the United States in dividends far outnumber the dollars sent out of the United States to get them into operation.

Those are the main points made by executives of more than 50 leading corporations, queried by the Wall Street Journal on their companies' foreign spending plans in light of the pending tax bill. With some important exceptions, the bill would make profits of the foreign subsidiaries of U.S. corporations subject to U.S. tax as soon as they are earned. Under current law these foreign earnings are not taxed until they are brought home as dividends to the parent company.

BILL'S PROSPECTS

The businessmen's assessments of the bill's likely impact on future foreign investment are necessarily tentative, of course. The tax revision bill is caught in a legislative logjam, and some Washington experts think it stands slightly less than an even chance of becoming law this year. Even if it does, the Senate Finance Committee, which is now studying the bill, is likely to soften its rules for taxation of foreign profits, perhaps making them apply almost solely to nonmanufacturing U.S. subsidiaries established in countries with very low tax rates—so-called tax-haven operations. And even if the bill passes in its present form, it would not take effect until 1963.

There's nothing tentative, however, about business plans for foreign capital spending this year. A handful of companies have delayed new-plant plans until they can see how the congressional tax debates come out. But the great majority are pushing ahead with heavy expenditures to cash in on new market opportunities overseas or to supply the increasing wants of their existing foreign customers.

Among 48 companies that gave some comparison of their 1962 foreign-plant budgets with last year's spending, 25 said they will raise outlays. Another 13 said they will spend at least as much as in 1961. Only 10 planned to reduce foreign capital outlays, and most of these specified the tax bill was no part of the reason; generally they said they simply had completed major projects last year and were not yet ready to start new ones as large.

GULF, ALCOA RAISE OUTLAYS

Moreover, 17 companies that gave specific dollar figures plan to spend a total of about $360 million for foreign plants and equipment this year—up more than 43 percent from around $251 million in 1961. Gulf Oil Corp. is raising its foreign plant spending to $91 million this year, against $68 million in 1961, with much of the increase going for new refineries in Denmark and Holland. Aluminum Co. of America will shell out $39 million abroad this year, against only $6 million last year; much of the 1962 money will go to an Australian concern in which Alcoa has a 51 percent interest, to speed construction of an integrated aluminum complex estimated to cost $100 million eventually.

Such rises come on top of a sharp increase in oversea-plant spending last year. While figures are not complete, the U.S. Commerce Department has estimated U.S. companies spent over $4.5 billion for foreign plant and equipment in 1961, up more than 20 percent from 1960. That contrasts with a 3.6 percent decline last year in spending for new plant and equipment in the United States, which totaled $34.4 billion. The Commerce Department originally estimated 1962 foreign-plant spending would hold at the 1961 level, but these estimates were published last September and so do not include the latest plans.

Rising sales of existing foreign plants are powering much of the expansion. Gillette Co. of Boston, for instance, is raising its foreign plant-building budget to $13 million this year from $9 million in 1961, principally for a new plant in Australia and new capacity in Germany. In both areas, a spokesman says, demand has outstripped the capacity of present facilities.

CRACKING THE COMMON MARKET

Entirely new ventures are often motivated either by the desire to get behind the tariff wall of the European Common Market or by the lure of untapped sales prospects in underdeveloped areas. Pittsburgh Plate Glass Co. will build a plant in Holland this year and two in Italy. Both are Common Market countries and, says David G. Hill, president, "we can't get into it (the Common Market) from the United States." The Commerce Department's 1961 survey estimated last year's new-plant spending by U.S. companies in the six Common Market countries rose more than 50 percent over 1960.

In less-developed areas, Firestone Tire & Rubber Co. is negotiating to build Thailand's first tire plant, while new detergent plants scheduled for Malaya and Thailand will help push Colgate-Palmolive Co.'s 1962 foreign capital spending to $17 million, from $12 million last year. Latin America is getting considerable attention, too. General Motors Corp is completing a sheet metal stamping plant needed to launch General Motors Argentina, S.A., into production of a new type of Chevrolet this fall.

These projects also continue an established trend. The Commerce Department estimates 1961 Latin-American plant spending by U.S. companies jumped 40 percent over 1960 while outlays in Asia and other underdeveloped areas also rose.

For several companies, heavy overseas spending this year also is dictated by long-range programs launched some time ago and now in full swing. Ford Motor Co. in 1960 began a $225 million program, scheduled for completion in mid-1963, to raise the car and truck producing capacity of its British subsidiary 50 percent. Last year it also kicked off a $125 million program, to end late this year, for a 50 percent increase in capacity of its German subsidiary.

On all these programs, the Kennedy tax program so far is having only a marginal effect. Reed Roller Bit Co., of Houston, has decided to delay construction of a $1.5 million plant in Holland, which had been scheduled to start later this year, until it can "see how things settle out," says John Maher, president. But nearly all other executives queried say 1962 spending plans are far too advanced to be delayed now, whatever Congress does.

WHAT BILL WOULD DO

In future years, however, the impact of the tax bill could be much greater in the event that it passes Congress with its present foreign-tax provisions intact. Basically, the bill provides that earnings of an oversea manufacturing subsidiary of a U.S. company will be subject to U.S. tax in the year earned, unless reinvested in the business or in an underdeveloped country within 3 months of the close of the taxable year. Earnings of a nonmanufacturing subsidiary could escape taxation only if reinvested in an underdeveloped country; they would be taxed if used to finance a new plant in an industrialized nation, such as one of the Common Market countries. Earnings from rents, royalties, copyrights, or patents abroad would be taxed no matter where or how they were reinvested.

Almost exactly half the companies surveyed say they probably will cut back, or at least go slow, on foreign capital spending in 1963 and future years if these provisions become law. They include such names as Coca-Cola Co. and Eastman Kodak Co., both among the most active firms in foreign plant building.

The principal reason foreign outlays might be curbed, executives say, is that most foreign capital expenditures are financed out of retained tax-free profits of existing foreign plants or sales subsidiaries, usually saved over a period of years. So, says Michel Bergerac, director of oversea operations for Cannon Electric Co., if the tax bill is passed in its present form, "we just wouldn't have as much money to spend" on foreign plants in the future. Cannon, a Los Angeles maker of electrical connectors, is spending $3 million this year for additional manufacturing facilities in Japan and England.

WHERE MONEY COMES FROM

Of $5 billion spent by U.S. concerns in 1960 for foreign plants and equipment and other assets, the Commerce Department estimates, some $2.9 billion came from retained profits and depreciation allowances of the foreign plants themselves. Foreign investors and lenders put up another $1.1 billion, while only $1 billion, or 20 percent of the total, was sent abroad from the United States. For some companies, the proportion of foreign-plant-building funds derived from foreign sources goes even higher; Armco Steel Corp. says 90 percent of the money it spends overseas is raised overseas.

Many executives also charge that the tax bill would make their oversea operations less competitive with foreign-owned plants, thereby lessening their incentive to set up shop abroad. If the tax bill passes "we won't be able to compete as well with manufacturers abroad because they'll have a better tax structure than we have," says John Porter, finance manager of Ampex Corp., Redwood City, Calif., electronics concern. Many foreign countries have lower corporate income taxes than the United States. and also more liberal depreciation allowances.

In addition, several companies say the stiffer taxes provided by the new bill would mean their foreign plants would be no more profitable than their U.S. operations. And if foreign plants "were not more profitable than domestic ventures we might as well stay at home," says an official of a major New York chemical company which plans to spend $10 to $14 million on oversea factories this year, against $7 million in 1961.

BLOW TO THE UNDEVELOPED?

In particular, many executives insist, they need some sort of tax inducement to offset the risks of investing in underdeveloped countries. So, they say, passage of the tax bill in its present form would cause them to cut back especially sharply on new plants in these poor lands—even though some of the bill's provisions seem designed to spur such investment.

"The tax program would probably eliminate even consideration of expanding in areas such as India," asserts Albert A. Kornhauser, treasurer of Controls Co. of America, in Chicago. A Midwestern chemical concern which is reconsidering planned future expansion in southeast Asia and Africa because of the tax bill says: "There must be some incentives to expand in those areas where investments can be snuffed out quickly by such burdens as foreign taxation and political disturbance—all complicated enough already by differences in language, customs, currencies, and exchange rates."

This isn't the only way in which the bill might defeat its own purpose, businessmen warn. In part, the bill is designed to ease the U.S. balance-of-payments problem by discouraging businessmen from sending dollars abroad to build new plants. The balance-of-payments problem refers to the persistent excess of total U.S. spending, lending, and investing abroad over foreign spending, lending, and investing in the United States.

P. & G.'S BALANCE OF PAYMENT

But several companies cite detailed figures to prove that their foreign plants over the years return far more dollars to the United States than they take out. Procter & Gamble Co., the big soapmaker, says it sent only $11 million abroad to build plants during the decade of the 1950's, with the rest of the investment coming from foreign sources. During the same period, says Dean Fite, a P. & G. vice president, these plants sent back $47 million in dividends. Also, he says, they bought $247 million worth of raw materials from the United States.

Du Pont Co. says that in the 10 years ended in 1961 its foreign operations returned $1,280 million more to the United States than they took out. Further, it forecasts a surplus of about $800 million in the next 5 years.

Many companies, of course, including some of the Nation's biggest, say tax considerations are only a minor factor in planning foreign plants, and will have little effect on their future investments. International Business Machines Corp., which operates 16 plants in 14 foreign countries, says the tax bill will "affect us only in a minor way." General Electric Co., which has 30 plants in 11 foreign countries, indicates it would not let higher taxes stand in the way if it decided building a plant was the only way to sell GE products in a country with a high tariff wall or other stiff restrictions on imports.

But even these companies grumble bitterly about the tax bill. They charge that the Government for many years encouraged them to build foreign plants to help the economies of friendly nations. Now, complains F. T. Quirk, assistant secretary of Goodyear Tire & Rubber Co., these investments "are suddenly regarded in important Government circles as being highly undesirable, detrimental to the American economy, and based upon selfish motives."

TENNESSEAN FAVORS KING-ANDERSON BILL

Mr. GORE. Mr. President, I received an interesting letter today, written on tablet paper, and in a form clearly understood. The writer of the letter, a constituent of mine, makes a simple point, but he makes it in a very telling way. I should like to read the letter.

DEAR SENATOR: Long before my recent illness I was for the King-Anderson bill, but since I received a hospital bill for $1,678, I am now strongly for it.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 493) that the Clerk of the House be authorized and directed to make a correction in said resolution, in which it requested the concurrence of the Senate.

CORRECTION IN ENROLLMENT OF HOUSE BILL 10788

Mr. JORDAN. Mr. President, I submit a concurrent resolution coming over from the House of Representatives and ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated. The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956, the Clerk of the House is authorized and directed to make the following correction:

In line 12, on page 1, strike out "agreements" and insert "agreement".

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution.

There being no objection, the concurrent resolution (H. Con. Res. 493) was considered and agreed to.

REGULATION OF IMPORTS OF AGRICULTURAL COMMODITIES AND PRODUCTS — CONFERENCE REPORT

Mr. JORDAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. METCALF in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JORDAN. Mr. President, the Senate made three amendments to the House bill.

The first Senate amendment was merely technical to correct a typographical error and the House receded from its disagreement to that amendment.

The second Senate amendment directed the President to negotiate agreements under section 204 of the 1956 act restricting the importation into the United States of a number of commodities when in his judgment such imports seriously affect domestic producers. This amendment gave the President no additional authority and it did not require any action; but members of the Conference Committee felt that it might interfere with the textile negotiations currently being conducted under section 204. Under the Conference agreement the Senate would recede from this amendment with the recognition, expressed in the statement of managers on the part of the House, that there are other commodities that are being seriously affected through excessive imports and that the President should, in such cases, take action under section 204.

The third Senate amendment provided that action taken under the bill should be consistent with Trade Agreements Acts policy. The conferees on the part of the House felt that this created an indefinite rule, the effects of which could not be foreseen, and under the Conference Report the Senate would recede from this amendment.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF RULE XIX

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1481, Senate Resolution 37.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 37) to amend rule XIX relative to the transgression of the rule in debate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the resolution was considered and agreed to, as follows:

Resolved, That paragraph 4 of rule XIX of the Standing Rules of the Senate (relating to debate) is amended to read as follows:

"4. If any Senator, in speaking or otherwise, in the opinion of the Presiding Officer transgress the rules of the Senate the Presiding Officer shall, either on his own motion or at the request of any other Senator, call him to order; and when a Senator shall be called to order he shall take his seat, and may not proceed without leave of the Senate, which, if granted, shall be upon motion that he be allowed to proceed in order, which motion shall be determined without debate. Any Senator directed by the Presiding Officer to take his seat, and any Senator requesting the Presiding Officer to require a Senator to take his seat, may appeal from the ruling of the chair, which appeal shall be open to debate."

ADVERSE REPORTS BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. CLARK. Mr. President, I introduced the resolution, which has just been agreed to by the Senate, along with eight other proposed rules changes early in the present Congress.

My purpose in addressing the Senate this afternoon is, first, to express my keen disappointment that the other proposed changes in the rules were not reported favorably to the Senate by the Committee on Rules and Administration, and to comment on the report of the Subcommittee on Standing Rules of the Senate, subsequently approved by the Committee on Rules and Administration, which was adverse to the other proposals. I intend to return to the subject of the need for modernizing the rules of the Senate from time to time as the occasion presents itself during the remainder of this session. My reason for so doing is my strong conviction that the present rules and procedures of the Senate are unsuited to the needs of the country and of the modern world.

I reiterate, for perhaps the 25th time, Woodrow Wilson's famous statement that the Senate is the only legislative body in the entire world which is unable to act when its majority is ready for action. This may well have been a not too serious defect in the procedures of this body in the old, easygoing days of the 19th century. Today, I consider the Senate's procedures a clear and present danger to the proper carrying out of the constitutional purposes of this body. In my judgment, Congress has clung to outmoded customs and prerogatives which should have disappeared before World War I, and that became not only antiquated but dangerous with the advent of the atomic bomb.

Congress is still functioning today pretty much as it did at the turn of the century. Its machinery is cumbersome and its legislative structure old and creaky. The Senate is still thought to be the greatest deliberative body in the world. Yet we spend very little time deliberating and we refuse, even in the face of crises, to change our leisurely pace or to forego luxury the country can no longer afford: talkathons which bore the voters as much as they bore ourselves.

I suggest that there would be very little talk about Presidential grab for power or Supreme Court usurpation of power if Congress were on its toes and exercising its powers as the Founding Fathers expected the legislative branch of the Government to do.

Madam President, these views are shared by others. I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an interesting article entitled "Would Kick in Pants Help? The President and the Supreme Court Aren't Grabbing Power, but Are Filling a Vacuum Left by Congress," written by Inez Robb.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. Madam President, with this preliminary statement, I should like to turn to each of the eight proposed changes in the Senate rules which I submitted last year, which were unfavorably reported by the Subcommittee on Standing Rules of the Senate.

The first is Senate Resolution 9, which would amend rule XXIV of the Standing Rules of the Senate by requiring that a majority of the Senate members of a committee of conference should have indicated by their votes their sympathy with the bill as passed, and their concurrence in the prevailing opinion of the Senate on the matters in disagreement with the House of Representatives which occasioned the appointment of the committee.

The majority of the subcommittee reported adversely on this proposed change in the rules. I am happy to note that the able junior Senator from Nevada [Mr. CANNON] dissented from that report and was of the view that the objective of the rule was desirable, although its application should be broadened to cover all conference committee appointments and not limited to cases where rollcall votes had been held.

In the report of the majority of the subcommittee it is stated:

> In the vast majority of instances the appointment of Senate conferees on the basis of their seniority on the committee which reported the bill in conference has proven satisfactory.

Madam President, it is quite true that at any one session there are very few complaints regarding the action of Senate conferees, but this is because a majority of the Senate conferees usually do, in fact, reflect the prevailing view of the Senate. In addition, the majority of the subcommittee is in error when it takes the position that ordinarily the Senate conferees are appointed on the basis of their seniority on the committee. Actually, that is done by very few of the Senate committees. So far as I recall, the Finance Committee is almost the only one from which Members are appointed conferees entirely on the basis of their seniority. In fact, so far as I know, the Finance Committee is the only Senate committee which does not use the device of subcommittees, which is used by all other committees to expedite proposed legislation. On all the committees on which I serve—the Banking and Currency Committee, the Labor and Public Welfare Committee, and the Committee on Post Office and Civil Service—it has been almost the invariable practice to appoint as Senate conferees, not the senior members of the full committee, but the members of the subcommittee which considered the proposed legislation in the first instance and reported the bill to the full committee.

Likewise, in those three committees it has been the custom to have the chair-

man of the committee, assuming that he favored the proposed legislation, or, if not, the chairman of the subcommittee, if he favored the proposed legislation, act as floor manager of the bill; and when the bill goes to conference, it has been customary to appoint as Senate conferees the members of the subcommittee, in whatever proportion the two parties may be represented on the subcommittee itself.

Therefore, Madam President, I question the factual basis of the subcommittee's adverse report on the proposed rule change which would require a majority of Senate conferees to have evidenced by votes concurrence in the action of the Senate which occasioned the conference.

I may note for the record that, in 1960, when the resolution was first submitted to the committee, it was cosponsored by 20 Senators and in this Congress 8 Senators wrote to the committee urging favorable action on the proposal—which in itself indicates the existence in this body of a substantial opinion that such a change in the rule is required.

Actually, the precedents set forth in the volume on Senate procedure make it very clear indeed that if objection is raised by any Senator to the appointment as conferees of Members, a majority of whom showed by votes opposition to a significant portion of the bill the Senate passed, he can bring about a reconstitution of the conference committee.

In my judgment, the failure to report favorably this proposed rule change will make it necessary for a number of us, who are determined, to the extent of our capacity, to see that President Kennedy's program or the version of his program which the Senate will eventually adopt will be effectively represented in conference, to raise on the floor of the Senate this embarrassing question against a proposed slate of conferees when a majority of that slate has indicated it is not in sympathy with the Senate bill and thus cannot be expected to represent with complete strength the position the Senate itself has taken on such measures.

The last time such an occasion arose was several years ago, when the junior Senator from Louisiana [Mr. LONG], who is recognized by all Senators as one who fights for his beliefs, complained about the composition of a conference committee hostile to the Senate views, and he brought about the appointment of a committee, a majority of whom were in sympathy with the bill the Senate had passed.

If this proposed rule change were adopted, it would be anticipated, as a matter of course, that Senators who in their hearts are loyal to the position taken by the Senate would constitute a majority of those chosen to serve as Senate conferees.

Madam President, I know from experience that when I have opposed a position taken by the Senate, it is difficult for me, if appointed to serve in the conference, to stand up effectively for the position of the Senate.

I merely say that a majority of those chosen to serve as advocates should have at heart the interests of the Senate.

I regret that the subcommittee did not act favorably on the resolution.

Madam President, I ask unanimous consent that the brief report of the subcommittee on the resolution—it appears on page 5 of the report, entitled "Proposed Amendments to Standing Rules of the Senate"—be printed at this point in the RECORD in connection with my remarks.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

Senate Resolution 9 provides that a majority of the Senate members of a committee of conference shall have indicated their concurrence in the prevailing opinion of the Senate on the matters in disagreement with the House of Representatives.

In the vast majority of instances the appointment of Senate conferees on the basis of their seniority on the committee which reported the bill in conference has proven satisfactory. Time has demonstrated the practical value of the general application of this seniority principle by the Vice President or temporary occupant of the chair in making such appointments. Under the present procedure the Presiding Officer holds and may exercise discretion to depart from the seniority rule, or even go outside the committee itself, in those rare instances when in his judgment conferees so selected would more adequately reflect the prevailing views of the Senate on the bill in conference.

Any conference committee appointment by the Presiding Officer, upon whatever basis, is subject to challenge by any Member, in which event it becomes subject to confirmation or rejection by the Senate itself.

It is worthy of mention that there are numerous instances when Senators have declined to serve on conference committees because, in good conscience, they could not support provisions of a bill as enacted by the Senate.

In the judgment of the subcommittee the present procedure is satisfactory to the great majority of Members of the Senate and no pressing need for abandoning it has been established.

Therefore, the subcommittee reports Senate Resolution 9 unfavorably.[1]

Mr. CLARK. Madam President, I suggest that the arguments advanced by the subcommittee will not stand the test of either logic or experience. At a later date I shall continue my remarks, in the hope that a resolution similar to the one endorsed by the Senator from Nevada [Mr. CANNON] or myself will be brought before the Senate with a favorable report.

Madam President, I turn next to proposed Senate Resolution 10, which would amend the Legislative Reorganization Act so as to permit any standing committee of the Senate to meet while the Senate is in session unless the Senate or the committee itself by majority vote should deny that right.

I have not been here very long, but in my 5½ years as a Senator I have personally witnessed occasion after occasion when unanimous consent was denied to committees considering important legislation to meet while the Senate was in session, thus delaying for weeks, and sometimes months, the reporting to the Senate of legislation which was part of the administration's program or part of the program of the majority leader at that particular time.

I suggest that this right of one Senator to keep all Senate committees from attending to duty while the Senate is in session is a very dangerous thing. It was used last year for weeks on end to keep the higher education bill from coming to the floor from the Committee on Labor and Public Welfare. Thirteen times the Senate committee was prevented from considering that bill while the Senate was in session because of objections lodged by a single Senator.

The very able junior Senator from Oklahoma, my dear friend [Mr. MONRONEY], one of the coauthors of the Legislative Reorganization Act, does not agree with me that this is invidious procedure, and his testimony is quoted in the report of the subcommittee to which I have already referred.

He says that to repeal this prohibition against committee meetings except by unanimous request "would create many additional conflicts, since all committees would be permitted to sit at their pleasure while the Senate was in session. The already delayed Senate proceedings would be further delayed by prolonged and numerous quorum calls due to the absences of Members from the floor while attending committee sessions.

He also stated that a change in the rules would "stretch out committee hearings to full days and would discourage attempts to compress testimony into the morning meeting time."

With all humility, Madam President, I suggest that these arguments of my good friend from Oklahoma, which were adopted by the subcommittee and by the full committee, are quite unrealistic and entirely out of context with what every Member of this body knows to be the fact. Committees would still attempt to complete hearings by noon. No more quorum calls would result.

Senators do not usually come to the floor any more to participate in debate until just before a vote. The idea of a deliberative body sitting here and debating from time to time important matters before the country is a myth. Actually, what happens is that Senators who are not permitted to sit in committee while the Senate is in session do not come to the floor. They do not come near the floor. They go back to their offices. They sign their mail. They see constituents. They even leave Washington to attend to matters in their own States.

I suggest that it is absolute folly to say that by permitting one Senator to prevent a committee from meeting we are going to expedite discussion in the Senate. It just is not so.

I suggest again, with all humility and with all courtesy, that Senators miss the whole point in thinking they are going to expedite the Senate's business by continuing to permit one Senator to

[1] Mr. CANNON dissents from the subcommittee report on S. Res. 9. His individual views on this resolution are presented on p. 29. On all other resolutions discussed in this report the views of the subcommittee are unanimous.

prevent all committees from meeting during Senate sessions. Quite the contrary is true. Important legislation becomes bogged down toward the end of the session and never reaches the floor, or reaches the floor so late that it cannot be given adequate consideration before the press for adjournment is on and Senators want to go home to campaign for reelection or mend fences.

Madam President, I suggest that, before this session is much older, occasions will arise, as they did last year, when needed legislation will not be permitted to be considered in committees because some lone Senator who is opposed to the pending legislation will refuse unanimous consent to permit committees to meet while the Senate is in session. I suspect this may take place in the not too distant future. I think this is a great shame, and I regret the action of the full committee in rejecting this proposed procedure reform.

I now turn to Senate Resolution 12, which, if adopted, would have provided that "unless a motion to read the Journal of the previous day is made and passed by a majority vote, the Journal shall be deemed to have been read and approved."

Only twice in my service here has the reading of the Journal been required, once as a part of a civil rights filibuster, when it took 5 hours, and once last year, when, in an attempt to show how a single Senator could hold up action for an unreasonable length of time, I myself objected to the unanimous consent request that reading of the Journal be dispensed with, and after 45 minutes of very lucid and clear reading by my friend the Journal clerk, I relented, and withdrew my objection to the consent request, dispensing with the reading of the Journal.

The requirement of the reading of the Journal is a bit of old fashioned, outmoded nonsense which favors a Member of the Senate who does not want certain business transacted. The rule dates from the days before we had verbatim records of the prior day's proceeding at our disposal. The reading of the Journal has only one purpose today—to prevent the Senate from proceeding with the expedition and consideration of legislation in the public interest.

I am frankly amazed that the subcommittee and the full committee should have reported unfavorably on this proposed rule change.

I am intrigued by the reason given by the subcommittee for refusing approval to this very limited but obviously desirable change, which would remove a minor roadblock to expeditious action in this body. I quote in full the reason given by the subcommittee reporting adversely on the proposed change:

> The fact, as noted by the Parliamentarian, that the indexes to the Senate Journal for the past 40 years prior to the introduction of Senate Resolution 12, and Senator CLARK'S identical resolution of the previous Congress (S. Res. 377), show no similar resolution to dispense with the reading of the Journal has been introduced in the Senate and no motion made to amend the present rule (sec. 1 of Rule III of the Standing Rules of the Senate), clearly suggests that there is no necessity or substantial sentiment for such a change.

In other words, the only reason they do not wish to agree to dispense with the reading of the Journal at the demand of one Member, is that no Senator proposed it before I did. It seems to me that this is about as silly a reason as could be given.

Again I predict, Madam President, that before this session is very much older there again will be objection to dispensing with the reading of the Journal. I suggest to my good friend, the Journal clerk, that he had better get a supply of cough drops and keep his voice in shape, because I suspect that he will be making some pretty long orations before this session concludes sometime this fall.

I now turn to the proposed Senate Resolution 13, which would have provided:

> During the consideration of any measure, motion, or other matter, any Senator may move that all further debate under the order for pending business shall be germane to the subject matter before the Senate. If such motion, which shall be nondebatable, is approved by the Senate, all further debate under the said order shall be germane to the subject matter before the Senate, and all questions of germaneness under this rule, when raised, including appeals, shall be decided by the Senate without debate.

I know that since time immemorial there has been no rule of germaneness in the Senate. I think I am correct in saying that this is the only legislative body of stature, in the free world which has no power to control the diffuse and totally irrelevant oratory of its Members in the interests of expediting consideration of urgent public business.

The rule of germaneness in the House is well known. In all the legislative bodies in Western Europe, and in all the legislative bodies of the 50 States, parliamentary procedures are available by which nongermane discussion can be prevented, and legislators can be required on occasion to stick to the business pending before the body for discussion.

I point out that over a considerable period of time last year, when I kept the records, approximately one-third of the oratory in the Senate as reported in the CONGRESSIONAL RECORD was totally nongermane. My own view is that we could operate a much tighter ship if we were to set aside certain specific hours on certain days of the week for Senators to come to the Senate Chamber and speak for as long as they wished to speak on any subject they wished to discuss, when they would not be interfering with the consideration of important business.

Only 2 or 3 days ago the appropriation bill for the Department of Interior and related agencies was under consideration. The Senate was close to a vote on final passage of the bill. It was late in the afternoon. A large majority of Senators desired to complete action on the bill and to go home for dinner. Yet, for about 45 minutes a totally nongermane discussion occurred relating to the regulation of drugs—a subject in which a handful of Senators were keenly interested, and all other Senators had to sit around until those Senators were ready to stop discussing drugs and to allow the Senate to pass the appropriation bill for the Department of Interior and related agencies.

Obviously Senators who wish to talk about the drug bill should be free to come to the Senate Chamber and talk about the drug bill, whether or not the drug bill is the matter before the Senate, but I suggest that when a nongermane discussion intervenes during the consideration of an important bill when most Senators wish to pursue the pending business without distraction, a majority of the Senate should be able to require that further discussion be germane.

The Senate should have a rule of germaneness which could be invoked by nondebatable voting whenever a majority thinks it is desirable to do so and thereafter all nongermane debate could be objected to for the remainder of the time during which the pending business is under consideration.

If the motion to invoke the rule were turned down, the Senate could continue to discuss miscellaneous subjects for as long as it desired. As I stated, this would be a nondebatable motion, so that there would be no possibility of extended debate as to whether the germaneness rule should be applied.

Again I predict that before this session is very much older we shall see a number of instances in which nongermane and extended remarks will be made by Senators with respect to pending proposed legislation, perhaps not with the purpose but certainly with the result of delaying indefinitely and perhaps permanently the passage of proposed legislation which, under orderly rules of procedure in the Senate, would be voted on.

I suggest that the reasoning of the subcommittee report is, quite frankly, specious. I ask unanimous consent that the reasoning of the subcommittee, as set forth beginning in the middle of page 11 of the report and continuing over to the top of page 12, may be printed in full in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Senate Resolution 13 would require Senate debate on any pending business to be germane to the subject matter before the Senate, if a rule of germaneness were raised by any Senator on motion, which shall be nondebatable and approved by majority action.
>
> In the years since 1922, 15 resolutions identical or very similar to Senate Resolution 13 failed to obtain consideration by the Senate, which clearly indicates a predominant preference to retain the familiar practice.
>
> The precise relevancy of an argument is not always perceptible. One need only visit a judicial trial in any law court to perceive that experienced lawyers frequently differ on the issue of what is relevant or material to the case at hand. To muzzle Members by restricting the area from which they may draw their arguments and fortify their contentions is repugnant to the very purpose of the Senate as a forum of unrestricted and free discussion.
>
> Carved in stone on the west facade of the new Senate Office Building are the words "The Senate is the Living Symbol of our

Union of States."[1] These words are highly meaningful, symbolizing as well as unequivocally stating in concise terms the historic role of the Senate. The Senate is more than a National Legislature. Since the foundation of our Government it has been the protector of free speech and human rights. Each Senator is the duly elected representative of his State and his constituency, be they great or small, and stands equal with his colleagues to follow the course he deems best suited to enhance the common welfare. As such, he should be free to speak on any subject.

It is doubtful if a rule of germaneness, however well intended, would work in practice. Concepts of what constitutes germaneness would differ among Members. Senators disposed to voice their views on any topic of public concern will demand the right to be heard.

Therefore, the subcommittee reports Senate Resolution 13 unfavorably.

Mr. CLARK. I shall not comment further on the reasoning of this report. All I can say is that to me it does not make any sense. I hope that when this somewhat unsenatorial comment appears in the CONGRESSIONAL RECORD it will catch the eyes of my colleagues and will cause them to read the insertion I have just caused to be printed in the RECORD. I have a pretty firm belief that a majority of my colleagues may agree with me.

The argument stated against the proposal is the old-fashioned, outmoded, obsolete, ante bellum Civil War idea that we, as Senators, contribute to national policy, to the playing of its part in the legislative process by the Senate of the United States, if we stand in the Senate and "sound off" indefinitely about anything which comes into our heads.

Madam President, I suggest that while this may have made Clay, Calhoun, and Webster great, so that their portraits now hang in the antechamber, this is not the way a modern legislative body should conduct its business in a complex world full of the many intricate and difficult problems which confront us in the Senate today.

Madam President, again I apologize to my colleagues for the fact that I am expressing my views perhaps with more heat than light, but this is a subject on which I feel very strongly, indeed.

I now turn to Senate Resolution 14, which would establish a "bill of rights" for Senate standing committees.

I now read from the statement I made before the subcommittee at the time the subcommittee was courteous enough to call me before it, when my resolutions were under consideration:

The proposal would permit a majority of members of any standing committee of the Senate (1) to convene meetings of the committee; (2) to consider any matter within the jurisdiction of the committee; and (3) to end committee debate on a given measure by moving the previous question.

The 16 Senate standing committees vary enormously in their recognition of democratic procedures. No one could ask for fairer treatment or more expeditious handling of committee business than occurs in some committees. In other committees, however, it is well known that the will of the majority can be and often is thwarted with impunity.

We should have more confidence in democratic procedures than to permit such practices to continue. The enormous backlog of public legislative business should compel us to expedite committee action on important measures when a majority of the members of the committee are ready to act.

My proposal would permit a majority of the members of any standing committee to convene committee meetings, to call up any matter within the jurisdiction of the committee for consideration at any meeting, and to move the previous question when any matter has been under consideration for a total of 5 hours of debate. If the motion were adopted each member of the committee desiring to be heard on any of the issues on which the previous question had been ordered would be allowed to speak for a total of 30 minutes before the amendment or bill was brought to a final vote.

The proposed rule change was supported in statements submitted to the committee by the distinguished present occupant of the chair, the junior Senator from Oregon [Mrs. NEUBERGER], and by Senators DOUGLAS, GRUENING, MOSS, and PELL. It fell on hostile ground. The suggestion was made in the committee report that this is a matter which should be left to each individual committee to decide for itself—in other words, home rule for committees. I was a great advocate of home rule in my days as mayor of Philadelphia. It has much to commend it. However, I think it is no secret that there are several standing committees in the Senate whose chairmen are out of sympathy with the prevailing view of the other members of the committees. Such a chairman is able to exercise his authority, and sometimes does exercise his authority as a committee chairman, operating under rules of his own or rules which may or may not be in print, and of which committee members are not too well aware, to prevent the expeditious consideration or any consideration of legislation believed by a majority of the Members of the Senate to be in the public interest.

I shall shortly move, in all the committees of which I am a member, for a model series of rules for those committees along the lines I have indicated. I am hopeful that in at least one or two of such committees I shall have the support of the present occupant of the chair, and that it may be possible to adopt model rules which can be sent to the other committees in the hope that they may do likewise. I do not have much hope that that will work in the particular committees in which logjams exist and have existed for years. It seems to me this is a matter on which the Senate itself should legislate by means of a change in the Senate rules.

Madam President, I now turn to Senate Resolution 35, which would have permitted a Senator to have his remarks printed in the RECORD in large type, whether or not he droned through a 50-page text, reading every word of it. The subcommittee said, in rejecting the suggestion, with some high ethical sense with which I have sympathy, that this might perpetrate a fraud on the public, because if the address appears in small print the country knows that the Senator did not read it, but merely handed it in, whereas, at present, if the address appears in large print, the country knows that that Senator stood on the floor and delivered the speech. Presumably the impression might get abroad that the speech was made before a packed Senate, with the galleries filled to overflowing.

I suggest that this is a pretty naive approach. I like to think I have as high an ethical sense as have most of my colleagues. Time after time I have come to the floor of the Senate and read the first three lines and the last three lines of a long speech and handed it to the Official Reporters. The next morning it appeared in the CONGRESSIONAL RECORD as though I had delivered the entire speech.

I think this practice is good and sound and salutary. I think it is far more general than many like to admit.

I hold no particular brief for this proposed rules change. I know that the time of the Senate would be almost endlessly wasted if the present rules were relentlessly enforced, and if we did not wink at its violation every day the Senate meets. I, for one, am aware that we wink at its violation, but I would like to make honest men out of myself and my colleagues so that I could get back to my constituents and others what I wanted them to see in the RECORD without having to stand on the floor of the Senate for 2 or 3 hours and read every word of a long speech.

This is not of as great importance as the other rules. The fact is that the way we administer the present rule is a fraud on the public. Either we should stop what we are doing now, or change the rule. I therefore regret that the subcommittee did not see fit to approve Senate Resolution 35.

Madam President, I now turn to Senate Resolution 36, which would have changed rule XIX of the Standing Rules of the Senate so as to provide that when any Senator had held the floor for more than 3 consecutive hours, an objection to his continued recognition would be in order at any time, and that if such objection were made the Senator would yield the floor.

I advance this proposed change with considerable trepidation, in view of present company, who are listening attentively to my address in the Senate. Nevertheless, I have the strong view that this would be a salutary change.

In my experience as a nisi prius lawyer accustomed to trying cases as an appellate lawyer, and who argued in his day—some years ago, to be sure—a good many complicated cases not only before the Supreme Court of the Commonwealth of Pennsylvania, but before other courts of appeal as well as the Supreme Court, I have contended that if one cannot make his argument in 3 hours, he has not an argument worth listening to. The power of analysis and condensation which is a part of the background of every successful and trained lawyer should enable him to say, in far less than 3 hours, everything that needs to be said on a given subject. Anyone who drones on for more than 3 hours has not properly organized his material, or is holding the floor for purposes of delay.

I am reminded of an old apology by Justice Oliver Wendell Holmes, when

[1] Proposed by the then Senator LYNDON B. JOHNSON and adopted by the Senate Office Building Commission on Mar. 20, 1957.

he was serving many years ago on the Massachusetts Supreme Court. He came in one day with a particularly long opinion in a case in which he had been assigned by his colleagues to write the opinion. Senators will recall that ordinarily Justice Holmes' opinions were short and terse and to the point, and often full of pungent wit, coming to the critical issue involved in short order. When he brought forth this long opinion in the Massachusetts Supreme Court he said:

My colleagues, I am sorry for this long opinion, but I did not have time to write a short one.

I suggest that that same rule might well be applied, in terms of our own self-discipline.

I regret that this resolution was not approved by the subcommittee. I invite attention to the reasoning of the subcommittee, which appears on pages 19 and 20 of the report of the subcommittee. I ask unanimous consent that it may appear in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Resolution 36 would amend rule XIX to provide that whenever any Senator has held the floor for more than 3 consecutive hours, if objection to his continued recognition is made, the Senator shall yield the floor.

The difficulties attendant upon any attempt to establish germaneness with respect to a Member's remarks on a given subject was pointed out in connection with the subcommittee's report on Senate Resolution 13. A similar difficulty would be encountered in any attempt to establish at what exact point in time freedom of debate would be transformed into filibustering. Senate Resolution 36 would arbitrarily set that point at 3 hours after a Member obtained the floor. While subscribing to the principle that it is the responsibility of Members ultimately to vote on any issue under discussion, the subcommittee also subscribes to the principle that such action should be taken only after full and complete debate. By its cloture provision in rule XXII the Senate has established the procedure under which that determination shall be made.

The terms of the present rule XXII were the same back in 1925 when it was proposed by a Vice President, Charles G. Dawes, to amend the rule to provide for termination of debate by the affirmative vote of the majority of Senators. It was then that Royal S. Copeland, a Senator from New York, made the statement which is still pertinent regardless of the shifts in population that have since occurred:

"I can quite understand why a citizen of Nevada might want to have the rules changed. Nevada has 77,000 population, and yet it sends 2 Members to the U.S. Senate. If New York were represented in the same proportion, it would have 144 Members in the U.S. Senate instead of 2.

"Here is another thing to think about: The States of New York, Pennsylvania, Illinois, and Michigan pay 60 percent of the Federal taxes. The combined representation of these States in the Senate is one-twelfth of the total. Therefore, these States are totally submerged so far as voting power is concerned.

"New York State has as great a population as 18 other States combined. It exceeds the combined population of Arizona, Colorado, Delaware, Florida, Idaho, Montana, Nevada, New Hampshire, New Mexico, North Dakota, Oregon, Rhode Island, South Dakota, Utah, Vermont, Wyoming, Maine, and Nebraska.

"Add to these 18 States 7 other States—Arkansas, Louisiana, West Virginia, Washington, South Carolina, Maryland, and Connecticut—and it will be found that these 25 States, controlling 50 of the 96 votes, have a majority vote in the Senate. These States represent less than 20 percent of the total population of the country and they pay not more than 10 percent of the Federal taxes. Mr. Dawes' cloture rule would give this minority in population and financing standing absolute control of the Senate."

It is not the purpose of this report to reiterate the arguments which have been advanced in favor of extended debate, but rather to recognize the role of the Senate as the protector of the rights of the States and of minorities in our system of government. At no time should a single Senator have the right to compel another Senator to yield the floor.

Therefore, the subcommittee reports Senate Resolution 36 unfavorably.

Mr. CLARK. The reasoning of the subcommittee seems to be that the present rule of unlimited debate is needed to permit delay in order to protect the populous States of the country, such as Pennsylvania, Illinois, New York, and California from the tyranny which would otherwise be imposed upon them by small States such as Montana, Oregon, and perhaps even Minnesota, if the large States did not have such protection.

Actually, the Senators who wish to change the rules are the Senators from the big States, because we want to get things done. Of course, the Presiding Officer, the present majority leader, and majority whip, who are what might be called a captive audience today, also want to get things done. I regret very much that the committee has not seen fit to support what I consider to be a salutary rule change.

The Senate will be happy to know that I am approaching the end of my remarks in turning to Senate Resolution 38, which would have regularized the conduct of morning business. Under present Senate rules, morning business and the morning hour are again conducted by unanimous consent. Every morning the majority leader or the majority whip, as the case may be, after the morning prayer, asks unanimous consent that the reading of the Journal shall be dispensed with. I have already commented on that point. Then he asks unanimous consent that statements during the morning hour shall be limited to 3 minutes. Almost always the Senate agrees. However, every now and then a Senator objects. I suspect that later in the session some Member will object to that unanimous-consent request. Then we make whatever insertion we are prepared to make or wish to call to the attention of our colleagues in the Senate.

It occurred to me that we ought to put in written form as a part of the Senate rules what we do every day by unanimous consent. Of course, this proposal is not too important, but I believe it would expedite the business of the Senate appreciably.

I ask unanimous consent that the report of the subcommittee on this proposed rule change which appears on pages 23 and 24 of the committee report may be printed in the RECORD at this point in my remarks.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

Senate Resolution 38 would amend rule VII to provide 1 hour, or more if extended upon motion, for morning business, expressly formalizing the customary 3-minute limitation on individual remarks.

Senator CLARK's statement at the hearings in support of Senate Resolution 38 is as follows:

"The rule change I am suggesting—to regulate the transaction of morning business—is intended to speed Senate business. The term "morning hour" is a misnomer under our present practice. It is well known that 2 hours, from noon to 2 p.m., are frequently used for morning business on new legislative days. I suggest that we limit morning business to 1 hour daily, unless a majority of Senators vote to extend the period, and that the 3-minute limit on individual speeches, which is a custom now honored as much in the breach as in the observance, be written into the Senate rules. The morning hour is a valuable and appropriate time for the delivery of remarks by Senators on current events and other miscellaneous business. My proposed rule would make it impossible for one Senator to block the holding of a morning hour daily even if the Senate is meeting in recessed or continuous session, and yet it would curtail the overall time spent on matters nongermane to the pending bill or resolution."

An explanation by the Parliamentarian of the practice of 3-minute speeches during the morning hour is as follows:

"About 1953 the practice of the majority leader of the Senate in asking unanimous consent that during the transaction of routine morning business speeches be limited to a period of minutes, either 2, 3, or 5, began. Daily requests would be made by the majority leader, and no standing order ever was made therefor. Dissatisfaction was expressed by some Senators as to rulings by the Presiding Officer on several occasions, which permitted a Senator who had used his 3 minutes on one subject to proceed for 3 minutes each on different subjects.

"On January 10, 1961, an understanding was arrived at by the majority and minority leaders, which provided that at the end of 3 minutes a Senator who was speaking must relinquish the floor so that other Senators who might desire to offer morning business could be recognized for respective 3-minute periods, and when no other Senator desired to submit morning business, he could again seek recognition. No formal order was ever made by the Senate.

"Under the Senate rules, no debate is permitted during the transaction of morning business, and it has only been by unanimous consent that the 3-minute custom, requested for each particular day, has been permitted.

"During the call of the calendar under rule VIII and also under calls for the consideration of bills to which there is no objection, there is a limitation of 5 minutes on the part of any Senator on any question pending before the Senate. The call of the calendar, however, is not a part of morning business."

Over 2 years ago, the Senator from Utah [Mr. BENNETT], wrote to the chairman of the Subcommittee on the Standing Rules of the Senate and suggested the advisability of reviewing the rules of the Senate wtih respect to the "morning hour." As Senator BENNETT succinctly stated at the time:

"A casual look at rule VII reveals that our current practice is completely out of step with the letter of the rule, and every once in a while we get out of step with our current practice."

Section 3 of rule VII of the Standing Rules of the Senate expressly makes provisions for

a morning hour on each legislative day.[1] The majority leader in recent years usually has made arrangements for a morning hour at each day's meeting of the Senate. Since January 10, 1961, after agreement between the majority and minority leaders, and by unanimous consent, speeches of Senators during the transaction of routine morning business have been limited to 3 minutes' duration. Thus, as a practical matter, the objectives of Senator CLARK'S proposed amendment and of Senator BENNETT'S earlier comments presently prevail.

The subcommittee is aware, however, that on occasion individual Senators have exceeded the 3-minute limitation on speeches in the "morning hour." Also, during these periods set aside for routine business there has been an increasing tendency among Members to initiate premature debate on controversial subjects. The subcommittee recommends that Senators exhibit their cooperation by adhering to strict observance to the 3-minute unanimous-consent agreement so that it will not be necessary for the occupant of the chair to announce that their time has expired.

Therefore, the subcommittee reports Senate Resolution 38 unfavorably.

Mr. CLARK. In this particular case the subcommittee outlines my own testimony in support of the rule as well as their reasons for objecting to it. I am content to let the jury of my colleagues in the Senate determine which of us had the better argument.

Madam President, these proposed rule changes are not utterly vital to the conduct of the business of the Senate, but, in my opinion, they are important, and in my judgment, they would help substantially in the effort which I am sure the majority leader and the majority whip are committed to, which is to get the President's program before the Senate for final consideration on its merits, and thus let some of us go home, particularly those of us who have business of great importance to our own careers to transact in our home States.

Of course, the major Senate rule change is that of rule XXII, and I would not like to have these remarks this afternoon considered out of perspective because I did not mention the critical need for a new cloture rule, and how important it is that in the first days of January of next year those of us who believe that the Senate should be permitted to act when a majority of its Members are ready for action may prevail, and that the present outmoded, obsolete, unworkable, undemocratic method of interminable and unlimited debate will be done away with.

I do not intend to address myself extensively to that subject today. I know that the majority whip, who is present, is a strong advocate of a change in the cloture rule, so as to permit a majority to terminate debate after full discussion. I know the majority leader, who is also in the Chamber, is an advocate of at least reducing the number of Senators required to impose cloture from the present two-thirds of the Senators present and voting to three-fifths, which would be a help.

[1] The Senate agreed to a resolution that after today (Aug. 10, 1888), unless otherwise ordered, the morning hour shall terminate at the expiration of 2 hours after the meeting of the Senate (Senate Journal 1266, 50–1).

I close my comments this evening with the fervent plea to my colleagues that they get ready for the battle of next January, when I hope a major step forward will be taken in modernizing and updating the present obsolete, archaic, and undemocratic rules of the Senate. When that is done, and while we are at it, I hope we will adopt the other rule changes to which I have addressed myself.

I express my apologies to the occupant of the chair and to the majority leader and the majority whip for detaining them so late in the afternoon.

I yield the floor.

EXHIBIT 1

WOULD KICK IN PANTS HELP?

(By Inez Robb)

The President and Supreme Court aren't grabbing power, but are filling a vacuum left by Congress.

At the moment the air is filled with charges and countercharges of "a Presidential grab for power" and the "Supreme Court's usurpation of power."

But so far I have heard no discusssion of the congressional abdication of power.

The U.S. Government was designed to have three coequal branches: the Executive, Congress and the Supreme Court.

It is one woman's opinion that if the Congress were strong, efficient, dedicated, intelligent and forceful, there would be no power vacuum into which either the Chief Executive or the Supreme Court could move. Not even nature abhors a vacuum so belligerently as does politics.

WASHINGTON A PURGATORY

As the office of the Chief Executive and the functions of the Supreme Court have moved steadily forward in the 20th century to keep attuned to the times in which they function, the Congress has clung to outmoded customs and prerogatives that should have disappeared with World War I and that became not only antiquated but dangerous with the advent of the atomic bomb.

The Congress is functioning today much as it did at the turn on the century. Its machinery is cumbersome and its legislative structure old and creaky.

It seems to me that taxpayers get less and less mileage out of Congress with each passing year. I am weary of the time it wastes by refusing to face up to issues, and more weary still of the last-minute August rush to consider and pass or reject important legislation that was introduced the previous February.

It sometimes appears that no legislation would ever be passed by Congress if (1) it didn't feel impelled to get back home to mend its fences and (2) it weren't fed up with the heat of a Washington summer and eager to get away to the golf courses in a cooler clime.

The selection of Washington, D.C., as the site of the Nation's Capital has often been criticized. But in view of its purgatory-patterned summers and the itch of legislators to be off to less humid pastures, the site was probably a brilliant choice, since it does manage to get a little legislation passed annually.

CONGRESS A CHOWDER SOCIETY

The Senate is still the greatest debating society in the world. It refuses, in the face of threatening world crises, to change by a jot or tittle its leisurely pace. Or to forego a luxury the country can no longer afford, a talkathon that bores the voters as much as it is beginning to bore them.

Its committees can bottle up legislation on which the Nation is paying it to act, either pro or con. In its dilatory fashion, it can delay, from year to year, the consideration of bills on which the country has the right to a "yes" or "no" congressional answer.

It is doubtful if there would be any talk of a Presidential grab for power or a Supreme Court usurpation of power if Congress were on its toes and exercising its powers as the Founding Fathers expected the legislative branch of government to do.

But if the Congress is content to be a chowder and debating society for most of the year, it—and the Nation—can expect a strong President and an energetic Supreme Court to move in to fill the vacuum that it deliberately creates by its outdated mores.

Mr. MANSFIELD. Madam President, I do not believe that the distinguished Senator from Pennsylvania needs to offer any apology. I certainly found his discourse most interesting and worthwhile. I know that I have not heard the last of it. I am looking forward to the coming January, when I assume the diligent Senator from Pennsylvania will once again undertake his crusade to bring about a reformation of the rules of the Senate. I wish him well.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. MANSFIELD. Madam President, I move that when the Senate adjourn tonight, it adjourn to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I wish to say to the Senate that there will be no further business considered tonight in the way of legislation.

COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 1544, H.R. 11040.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, to strike out all after the enacting clause and insert:

TITLE I—SHORT TITLE, DECLARATION OF POLICY AND DEFINITIONS

Short title

SEC. 101. This Act may be cited as the "Communications Satellite Act of 1962".

Declaration of policy and purpose

SEC. 102 (a) The Congress hereby declares that it is the policy of the United States to establish, in conjunction and in cooperation with other countries, as expeditiously as practicable a commercial communications satellite system, as part of an improved global communications network, which will be responsive to public needs and national objectives, which will serve the communication needs of the United States and other countries, and which will contribute to world peace and understanding.

(b) The new and expanded telecommunication services are to be made available as promptly as possible and are to be extended to provide global coverage at the earliest practicable date. In effectuating this program, care and attention will be directed toward providing such services to economically less developed countries and areas as well as those more highly developed, toward efficient and economical us of the electromagnetic frequency spectrum, and toward the reflection of the benefits of this new technology in both quality of services and charges for such services.

(c) In order to facilitate this development and to provide for the widest possible participation by private enterprise, United States participation in the global system shall be in the form of a private corporation, subject to appropriate governmental regulation. It is the intent of Congress that all authorized users shall have nondiscriminatory access to the system; that maximum competition be maintained in the provision of equipment and services utilized by the system; that the corporation created under this Act be so organized and operated as to maintain and strengthen competition in the provision of communications services to the public; and that the activities of the corporation created under this Act and of the persons or companies participating in the ownership of the corporation shall be consistent with the Federal antitrust laws.

(d) It is not the intent of Congress by this Act to preclude the use of the communications satellite system for domestic communication services where consistent with the provisions of this Act nor to preclude the creation of additional communications satellite systems, if required to meet unique governmental needs or if otherwise required in the national interest.

Definitions

SEC. 103. As used in this Act, and unless the context otherwise requires—

(1) the term "communications satellite system" refers to a system of communications satellites in space whose purpose is to relay telecommunication information between satellite terminal stations, together with such associated equipment and facilities for tracking, guidance, control, and command functions as are not part of the generalized launching, tracking, control, and command facilities for all space purposes;

(2) the term "satellite terminal station" refers to a complex of communication equipment located on the earth's surface, operationally connected with one or more terrestrial communication systems, and capable of transmitting telecommunications to or receiving telecommunications from a communications satellite system.

(3) the term "communications satellite" means an earth satellite which is intentionally used to relay telecommunication information;

(4) the term "associated equipment and facilities" refers to facilities other than satellite terminal stations and communications satellites, to be constructed and operated for the primary purpose of a communications satellite system, whether for administration and management, for research and development, or for direct support of space operations;

(5) the term "research and development" refers to the conception, design, and first creation of experimental or prototype operational devices for the operation of a communications satellite system, including the assembly of separate components into a working whole, as distinguished from the term "production," which relates to the construction of such devices to fixed specifications compatible with repetitive duplication for operational applications; and

(6) the term "telecommunication" means any transmission, emission or reception of signs, signals, writings, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems.

(7) the term "communications common carrier" has the same meaning as the term "common carrier" has when used in the Communications Act of 1934, as amended, and in addition includes, but only for purposes of sections 303 and 304, any individual, partnership, association, joint-stock company, trust, corporation, or other entity which owns or controls, directly or indirectly, or is under direct or indirect common control with, any such carrier; and the term "authorized carrier," except as otherwise provided for purposes of section 304 by section 304(b)(1), means a communications common carrier which has been authorized by the Federal Communications Commission under the Communications Act of 1934, as amended, to provide services by means of communications satellites;

(8) the term "corporation" means the corporation authorized by title III of this Act.

(9) the term "Administration" means the National Aeronautics and Space Administration; and

(10) the term "Commission" means the Federal Communications Commission.

TITLE II—FEDERAL COORDINATION, PLANNING, AND REGULATION

Implementation of policy

SEC. 201. In order to achieve the objectives and to carry out the purposes of this Act—

(a) the President shall—

(1) aid in the planning and development and foster the execution of a national program for the establishment and operation, as expeditiously as possible, of a commercial communications satellite system;

(2) provide for continuous review of all phases of the development and operation of such a system, including the activities of a communications satellite corporation authorized under title III of this Act;

(3) coordinate the activities of governmental agencies with responsibilities in the field of telecommunication, so as to insure that there is full and effective compliance at all times with the policies set forth in this Act;

(4) exercise such supervision over relationships of the corporation with foreign governments or entities or with international bodies as may be appropriate to assure that such relationships shall be consistent with the national interest and foreign policy of the United States;

(5) insure that timely arrangements are made under which there can be foreign participation in the establishment and use of a communications satellite system;

(6) take all necessary steps to insure the availability and appropriate utilization of the communications satellite system for such general governmental purposes as do not require a separate communications satellite system to meet unique governmental needs; and

(7) so exercise his authority as to help attain coordinated and efficient use of the electromagnetic spectrum and the technical compatibility of the system with existing communications facilities both in the United States and abroad.

(b) the National Aeronautics and Space Administration shall—

(1) advise the Commission on technical characteristics of the communications satellite system;

(2) cooperate with the corporation in research and development to the extent deemed appropriate by the Administration in the public interest;

(3) assist the corporation in the conduct of its research and development program by furnishing to the corporation, when requested, on a reimbursable basis, such satellite launching and associated services as the Administration deems necessary for the most expeditious and economical development of the communications satellite system;

(4) consult with the corporation with respect to the technical characteristics of the communications satellite system;

(5) furnish to the corporation, on request and on a reimbursable basis, satellite launching and associated services required for the establishment, operation, and maintenance of the communications satellite system approved by the Commission; and

(6) to the extent feasible, furnish other services, on a reimbursable basis, to the corporation in connection with the establishment and operation of the system.

(c) the Federal Communications Commission, in its administration of the provisions of the Communications Act of 1934, as amended, and as supplemented by this Act, shall—

(1) insure effective competition, including the use of competitive bidding where appropriate, in the procurement by the corporation and communications common carriers of apparatus, equipment, and services required for the establishment and operation of the communications satellite system and satellite terminal stations; and the Commission shall consult with the Small Business Administration and solicit its recommendations on measures and procedures which will insure that small business concerns are given an equitable opportunity to share in the procurement program of the corporation for property and services, including but not limited to research, development, construction, maintenance, and repair.

(2) insure that all present and future authorized carriers shall have nondiscriminatory use of, and equitable access to, the communications satellite system and satellite terminal stations under just and reasonable charges, classifications, practices, regulations, and other terms and conditions and regulate the manner in which available facilities of the system and stations are allocated among such users thereof;

(3) in any case where the Secretary of State, after obtaining the advice of the Administration as to technical feasibility, has advised that commercial communication to a particular foreign point by means of the communications satellite system and satellite terminal stations should be established in the national interest, institute forthwith appropriate proceedings under section 214 (d) of the Communications Act of 1934, as amended, to require the establishment of such communication by the corporation and the appropriate common carrier or carriers;

(4) insure that facilities of the communications satellite system and satellite terminal stations are technically compatible and interconnected operationally with each other and with existing communications facilities;

(5) prescribe such accounting regulations and systems and engage in such ratemaking procedures as will insure that any economies made possible by the communications satellite system are appropriately reflected in rates for public communications services;

(6) approve technical characteristics of the operational communications satellite system to be employed by the corporation and of the satellite terminal stations; and

(7) grant appropriate authorizations for the construction and operation of each satellite terminal station, either to the corporation or to one or more authorized carriers or to the corporation and one or more such carriers jointly, as will best serve the public interest, convenience, and necessity. In determining the public interest, convenience, and necessity the Commission shall authorize the construction and operation of such stations by communications common carriers or the corporation, without preference to either;

(8) authorize the corporation to issue any shares of capital stock, except the initial issue of capital stock referred to in section 304(a), or to borrow any moneys, or to assume any obligation in respect of the securities of any other person, upon a finding that such issuance, borrowing, or assumption is compatible with the public interest, convenience, and necessity and is necessary or appropriate for or consistent with carrying out the purposes and objectives of this Act by the corporation;

(9) insure that no substantial additions are made by the corporation or carriers with respect to facilities of the system or satellite terminal stations unless such additions are required by the public interest, convenience, and necessity;

(10) requires, in accordance with the procedured requirements of section 214 of the Communications Act of 1934, as amended, that additions be made by the corporation or carriers with respect to facilities of the system or satellite terminal stations where such additions would serve the public interest, convenience, and necessity; and

(11) make rules and regulations to carry out the provisions of this Act.

TITLE III—CREATION OF A COMMUNICATIONS SATELLITE CORPORATION

Creation of corporation

SEC. 301. There is hereby authorized to be created a communications satellite corporation for profit which will not be an agency or establishment of the United States Government. The corporation shall be subject to the provisions of this Act and, to the extent consistent with this Act to the District of Columbia Business Corporation Act. The right to repeal, alter, or amend this Act at any time is expressly reserved.

Process of organization

SEC. 302. The President of the United States shall appoint incorporators, by and with the advice and consent of the Senate, who shall serve as the initial board of directors until the first annual meeting of stockholders or until their successors are elected and qualified. Such incorporators shall arrange for an initial stock offering and take whatever other actions are necessary to establish the corporation, including the filing of articles of incorporation, as approved by the President.

Directors and officers

SEC. 303. (a) The corporation shall have a board of directors consisting of individuals who are citizens of the United States, of whom one shall be elected annually by the board to serve as chairman. Three members of the board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, effective the date on which the other members are elected, and for terms of three years or until their successors have been appointed and qualified, except that the first three members of the board so appointed shall continue in office for terms of one, two, and three years, respectively, and any member so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Six members of the board shall be elected annually by those stockholders who are communications common carriers and six shall be elected annually by the other stockholders of the corporation. No stockholder who is a communications common carrier and no trustee for such a stockholder shall vote, either directly or indirectly, through the votes of subsidiaries or affiliated companies, nominees, or any persons subject to his direction or control, for more than three candidates for membership on the board. Subject to such limitation, the articles of incorporation to be filed by the incorporators designated under section 302 shall provide for cumulative voting under section 27(d) of the District of Columbia Business Corporation Act (D.C. Code, sec. 29–911(d)).

(b) The corporation shall have a president, and such other officers as may be named and appointed by the board, at rates of compensation fixed by the board, and serving at the pleasure of the board. No individual other than a citizen of the United States may be an officer of the corporation. No officer of the corporation shall receive any salary from any source other than the corporation during the period of his employment by the corporation.

Financing of the corporation

SEC. 304. (a) The corporation is authorized to issue and have outstanding, in such amounts as it shall determine, shares of capital stock, without par value, which shall carry voting rights and be eligible for dividends. The shares of such stock initially offered shall be sold at a price not in excess of $100 for each share and in a manner to encourage the widest distribution to the American public. Subject to the provisions of subsections (b) and (d) of this section, shares of stock offered under this subsection may be issued to and held by any person.

(b)(1) For the purposes of this section the term "authorized carrier" shall mean a communications common carrier which is specifically authorized or which is a member of a class of carriers authorized by the Commission to own shares of stock in the corporation upon a finding that such ownership will be consistent with the public interest, convenience, and necessity.

(2) Only those communications common carriers which are authorized carriers shall own shares of stock in the corporation at any time, and no other communications common carrier shall own shares either directly or indirectly through subsidiaries or affiliated companies, nominees, or any persons subject to its direction or control. Fifty per centum of the shares of stock authorized for issuance at any time by the corporation shall be reserved for purchase by authorized carriers and such carriers shall in the aggregate be entitled to make purchases of the reserved shares in a total number not exceeding the total number of the nonreserved shares of any issue purchased by other persons. At no time after the initial issue is completed shall the aggregate of the shares of voting stock of the corporation owned by authorized carriers directly or indirectly through subsidiaries or affiliated companies, nominees, or any persons subject to their direction or control exceed 50 per centum of such shares issued and outstanding.

(3) At no time shall any stockholder who is not an authorized carrier, or any syndicate or affiliated group of such stockholders, own more than 10 per centum of the shares of voting stock of the corporation issued and outstanding.

(c) The corporation is authorized to issue, in addition to the stock authorized by subsection (a) of this section, nonvoting securities, bonds, debentures, and other certificates of indebtedness as it may determine. Such nonvoting securities, bonds, debentures, or other certificates of indebtedness of the corporation as a communications common carrier may own shall be eligible for inclusion in the rate base of the carrier to the extent allowed by the Commission. The voting stock of the corporation shall not be eligible for inclusion in the rate base of the carrier.

(d) Not more than an aggregate of 20 per centum of the shares of stock of the corporation authorized by subsection (a) of this section which are held by holders other than authorized carriers may be held by persons of the classes described is paragraphs (1), (2), (3, (4), and (5) of section 310(a) of the Communications Act of 1934, as amended (47 U.S.C. 310).

(e) The requirement of section 45(b) of the District of Columbia Business Corporation Act (D.C. Code, sec. 29–920(b)) as to the percentage of stock which a stockholder must hold in order to have the rights of inspection and copying set forth in that subsection shall not be applicable in the case of holders of the stock of the corporation, and they may exercise such rights without regard to the percentage of stock they hold.

(f) Upon application to the Commission by any authorized carrier and after notice and hearing, the Commission may compel any other authorized carrier which owns shares of stock in the corporation to transfer to the applicant, for a fair and reasonable consideration, a number of such shares as the Commission determines will advance the public interest and the purposes of this Act. In its determination with respect to ownership of shares of stock in the corporation, the Commission, whenever consistent with the public interest, shall promote the widest possible distribution of stock among the authorized carriers.

Purposes and powers of the corporation

SEC. 305. (a) In order to achieve the objectives and to carry out the purposes of this Act, the corporation is authorized to—

(1) plan, initiate, construct, own, manage, and operate itself or in conjunction with foreign governments or business entities a commercial communications satellite system;

(2) furnish, for hire, channels of communication to United States communications common carriers and to other authorized entities, foreign and domestic; and

(3) own and operate satellite terminal stations when licensed by the Commission under section 201(c)(7).

(b) Included in the activities authorized to the corporation for accomplishment of the purposes indicated in subsection (a) of this section, are, among others not specifically named—

(1) to conduct or contract for research and development related to its mission;

(2) to acquire the physical facilities, equipment and devices necessary to its operations, including communications satellites and associated equipment and facilities, whether by construction, purchase, or gift;

(3) to purchase satellite launching and related services from the United States Government;

(4) to contract with authorized users, including the United States Government, for the services of the communications satellite system; and

(5) to develop plans for the technical specifications of all elements of the communications satellite system.

(c) To carry out the foregoing purposes, the corporation shall have the usual powers conferred upon a stock corporation by the District of Columbia Business Corporation Act.

TITLE IV—MISCELLANEOUS

Applicability of Communications Act of 1934

SEC. 401. The corporation shall be deemed to be a common carrier within the meaning of section 3(h) of the Communications Act of 1934, as amended, and as such shall be fully subject to the provisions of title II and title III of that Act. The provision of satellite terminal station facilities by one communication common carrier to one or more other communications common carriers shall be deemed to be a common carrier activity fully subject to the Communications Act. Whenever the application of the provisions of this Act shall be inconsistent with the application of the provisions of the Communications Act, the provisions of this Act shall govern.

Notice of foreign business negotiations

SEC. 402. Whenever the corporation shall enter into business negotiations with respect

to facilities, operations, or services authorized by this Act with any international or foreign entity, it shall notify the Department of State of the negotiations, and the Department of State shall advise the corporation of relevant foreign policy considerations. Throughout such negotiations the corporation shall keep the Department of State informed with respect to such considerations. The corporation may request the Department of State to assist in the negotiations, and that Department shall render such assistance as may be appropriate.

Sanctions

SEC. 403. (a) If the corporation created pursuant to this Act shall engage in or adhere to any action, practices, or policies inconsistent with the policy and purposes declared in section 102 of this Act, or if the corporation or any other person shall violate any provision of this Act, or shall obstruct or interfere with any activities authorized by this Act, or shall refuse, fail, or neglect to discharge his duties and responsibilities under this Act, or shall threaten any such violation, obstruction, interference, refusal, failure, or neglect, the district court of the United States for any district in which such corporation or other person resides or may be found shall have jurisdiction, except as otherwise prohibited by law, upon petition of the Attorney General of the United States, to grant such equitable relief as may be necessary or appropriate to prevent or terminate such conduct or threat.

(b) Nothing contained in this section shall be construed as relieving any person of any punishment, liability, or sanction which may be imposed otherwise than under this Act.

(c) It shall be the duty of the corporation and all communications common carriers to comply, insofar as applicable, with all provisions of this Act and all rules and regulations promulgated thereunder.

Reports to the Congress

SEC. 404. (a) The President shall transmit to the Congress in January of each year a report which shall include a comprehensive description of the activities and accomplishments during the preceding calendar year under the national program referred to in section 201(a)(1), together with an evaluation of such activities and accomplishments in terms of the attainment of the objectives of this Act and any recommendations for additional legislative or other action which the President may consider necessary or desirable for the attainment of such objectives.

(b) The corporation shall transmit to the President and the Congress, annually and at such other times as it deems desirable, a comprehensive and detailed report of its operations, activities, and accomplishments under this Act.

(c) The Commission shall transmit to the Congress, annually and at such other times as it deems desirable, (i) a report of its activities and actions on anticompetitive practices as they apply to the communications satellite programs; (ii) an evaluation of such activities and actions taken by it within the scope of its authority with a view to recommending such additional legislation which the Commission may consider necessary in the public interest; and (iii) an evaluation of the capital structure of the corporation so as to assure the Congress that such structure is consistent with the most efficient and economical operation of the corporation.

Mr. MANSFIELD. Madam President, if Senators will look at their calendar, they will find that we are fairly well caught up. There are some measures still on the calendar which will not be brought up because of difficulties, either with respect to the sponsors of the measures or the opponents, or for some other reason.

I believe that the Senate did a fairly good day's work today. I anticipate that some little time will be spent on the pending business. I have been requested by Senators to hold up the laying down of this particular measure because of committee meetings and the like next week, but I felt that in all fairness to the Senate, especially to the two committees which held hearings on this proposal, and both of which reported the bill favorably, that it should be laid down once it was reported by the two committees and after it was reported favorably by the policy committee on being placed on the calendar.

I make that explanation because I think it is due to those who would like to see the consideration of the measure delayed.

Mr. HUMPHREY. Madam President, I join the majority leader in saying that a good bit of work was done today. I am particularly pleased that action was taken today on the Small Business Administration measure, to increase its lending capacity and authority, which is something that has long been needed. I am also pleased that we passed a measure which will permit some harvesting of hay on soil bank land in areas where there is distress and emergency, such as we are now witnessing in my State of Minnesota. In fact, it may well be necessary for me to bring other legislative proposals to the Senate to alleviate some of the economic hardship which has been inflicted upon us in northern and northwestern Minnesota due to floods and an incredible number of heavy rains.

AID TO YUGOSLAVIA AND POLAND

Mr. HUMPHREY. Madam President, I wish to call to the attention of the Senate and for the benefit of the RECORD two dispatches which appear in today's news, one from Belgrade, Yugoslavia, and one from Warsaw, Poland. The one from Yugoslavia is from our Ambassador to Yugoslavia, Mr. George Kennan, and the one from Warsaw is from our Ambassador to Poland, Mr. Cabot.

I believe that the pointed language of these messages or the teletype reports indicate the seriousness of the situation in these two countries with respect to their relations with the United States. I should like to read briefly from one of the dispatches.

Under a Washington dateline, the Associated Press dispatch reads:

> George F. Kennan, Ambassador to Yugoslavia, holds that congressional moves to crack down on U.S. aid and trade with that Communist nation are a "windfall" for Russia and a severe blow to U.S. aims in Eastern Europe.
>
> Kennan expressed that view in a private message from Belgrade to Secretary of State Dean Rusk this week.

Further, the dispatch reads:

> Kennan suggested to Rusk that he be brought home to talk with congressional leaders on U.S. policies toward Yugoslavia and the Eastern European Soviet bloc as a whole. Rusk and President Kennedy are considering ordering Kennan home for consultation and conferences with congressional leaders.

The second dispatch reads, in part, as follows:

> Kennan said in his report to Rusk that the actions in Congress were "a signal demonstration of ill will" toward an increasingly friendly people. So far as Yugoslavia is concerned, he added, "The harm has already been accomplished" by the actions taken in Congress.
>
> "If anything further were needed to confirm [Yugoslavia President] Tito on his present course (of closer relations with Russia) and to discourage those who have argued in favor of Western orientation," Kennan wrote, "what has occurred in recent days would already have sufficed to this purpose."

A little later the dispatch reads:

> Kennan said the worst effect of the actions in Congress is the "impression * * * being conveyed to the Yugoslav Government, as it moves into a crucial phase of development of its relations with the East, that there are no possibilities in United States-Yugoslav relations which could offer a favorable alternative to the Hobson's choice of reassociation with the Soviet bloc or acceptance of complete economic and political isolation in Europe.
>
> "To have this so authoritatively documented by none other than the U.S. Congress itself is of course the greatest windfall that could have befallen Soviet diplomacy in this area."

Congress has not acted as yet. One House of Congress has acted, namely, the Senate; and the action in the Senate was modified by the amendment offered by the majority leader and the minority leader, known as the Mansfield-Dirksen amendment, which permitted the President to utilize food and fiber products under the terms of Public Law 480, both for sales and contributions under all the aspects and all the terms, sections, and subsections of Public Law 480.

I believe that was a very fortunate amendment; that it modified the prohibitions which had been adopted the day before in the form of the Lausche amendment. But it is not my intention tonight to discuss the subject in terms of its substance. I merely say that if the President is considering asking Mr. Kennan and Mr. Cabot, our Ambassadors, to return, I urge in this public forum that he do just that. I believe the President should order Ambassador Kennan and Ambassador Cabot home at once and that the two Ambassadors should be called upon to appear before the Committees on Appropriations of Congress to explain or to state their views on the relationships between the respective countries: in the instance of Mr. Kennan, the United States and Yugoslavia; in the instance of Mr. Cabot, the United States and Poland. The two Ambassadors have made strong statements. I do not argue with their statements; I tend to agree with what they have said. But I know that some Senators may feel differently.

It seems to me that it would be wise and prudent on the part of the President to call those Ambassadors home. Not only should they be afforded an opportunity to be heard not only by the State Department officials and the President himself, but also the Com-

mittee on Foreign Relations, the Committee on Appropriations, and the Committee on Armed Services. At least those three committees should have the privilege of interrogating the Ambassadors.

I suggest that we might even go further. It might be possible for both the majority leader and the minority leader to arrange informal caucuses of the members of the respective political parties, at which the Ambassadors might appear and answer questions.

I believe Congress started off on a very dubious course of conduct in the field of foreign policy by adopting the amendments which were agreed to last week with respect to aid to Yugoslavia and Poland. It seems to me that if we expect to mitigate or remedy some of the damage that has been done, we ought to consult with men who are in the field and have to deal with those governments every day.

It might be a good idea, also, to call upon the former Ambassador to Poland, Mr. Beam. Mr. Beam is a highly respected Foreign Service officer. He no longer serves as an Ambassador. As I recall, he is now serving as a consultant to or is working with the U.S. Arms Control and Disarmament Agency. Mr. Beam is looked upon as one of the ablest, most competent students of Poland and our relationships with Poland. I believe it would be well, likewise, that he be consulted. It might also be helpful if others who have served in Yugoslavia were called upon to give their views.

My point is that we ought not to fly blind; and that is what we are doing. The minute one lets his emotions control his reason, his passion takes control, and he flies and thinks blind.

I cannot help feeling that it would be in the national interest to have the Ambassadors called home for consultation.

I quote again from the same press report:

> Ambassador Cabot at Warsaw said the result of the measures projected in Congress "would be to lose everything gained" by the $500 million worth of aid already furnished to Poland.
>
> "The hand of those Polish officials at all levels who preach that the Soviet Union is Poland's only reliable friend and only unfailing source of support in raising the material well-being of the Polish people would probably be strengthened," Cabot said.
>
> "Termination might also have an unfortunate effect on Polish liberal agricultural policy at a time when weather conditions threaten the 1962 crop, and on other present liberal trends which we wish to encourage."

It should be noted in the dispatch of Ambassador Cabot that there is a difference of opinion in Poland between leaders in the Government and leaders in the general society. It is well known that there are pro-Stalinist elements in Poland; it is equally well known that there are anti-Stalinist elements in Poland. It is better known that about 98 or 99 percent of the Polish people are anti-Communist. It seems to me that we would be well advised to proceed slowly and cautiously in any change of policy that might be considered.

It is my intention to document more fully tomorrow some of my general observations today. Tomorrow I shall read to the Senate certain documents from other countries, such as Communist China, including speeches by leaders of Communist China, which are every bit as anti-Tito and every bit as anti-Yugoslavia and anti-Poland as the speeches which were delivered in the Senate.

Speeches by leaders in Communist China call Yugoslavia an imperialist lackey of the United States. Speeches of Stalinist leaders in Albania call Gomulka and Tito every name that one can think of as being deviationists, revisionists, and allies of the United States; unreliable and enemies of socialism, as they put it.

It is amazing how we find ourselves in a situation in which the critics of our policy in Yugoslavia come from two very different sources: Critics who come from Communist China and Albania, and critics who come even from among our own fellow countrymen.

I do not draw any particular conclusion except to say that the policy which our Government has been pursuing has been a very carefully designed one in three administrations. It seems to me that we ought to be exceedingly cautious in making any basic change, unless we have undeniable facts which prove the necessity for such a change. I do not discern such undeniable facts in the present situation. Therefore, I hope the other body will act less emotionally than this body did, and I hope that at the conference we shall be able to design legislative language which will permit the President of the United States to have wide latitude in the conduct of our foreign policy, particularly with the countries behind the Iron Curtain which for the first time are beginning to move out on their own, and, to fracture the monolithic structure of communism, and to show some independence of judgment, and to show that the spirit of nationalism is stronger than the doctrine of communism. If our colleague will remember that, I think we shall do better in the conduct of our foreign policy and in our comments about it.

Today, the most powerful political force in the world is nationalism, not communism; and even in the countries where communism and socialism have a grip, the spirit of nationalism is breaking the bonds and the shackles of the Communist doctrine, insofar as it tries to hold together a huge area of the earth in an immovable attitude or mold. The Communist monolithic structure is already being strained by the conflict between the Soviet Union and China, and is being fractured by countries such as Albania, Poland, Yugoslavia, and even others. Only recently Czechoslovakia, for example, refused to go along with Khrushchev's ideas in regard to a Communist-bloc trade program, and so did Hungary, and so did Poland. There are all kinds and sorts of signs which indicate that all is not well within what we so frequently term "the Communist empire." That "empire" is wobbling and shaking, and is showing signs of cracks, schisms, and breakups; and it appears that we should be doing what we can to encourage such developments, rather than to force those nations back into an even more strictly enforced discipline under the domination of the Soviet Union.

ADJOURNMENT

Mr. HUMPHREY. Madam President, under the order previously entered, I now move that the Senate stand adjourned until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 2 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, June 15, 1962, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

Millis Scout Represents New England

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 14, 1962

Mr. PHILBIN. Mr. Speaker, this evening there will be an historic dinner in the Nation's Capital to mark the granting of the Federal charter to the Boy Scouts of America. Several hundred officials of Government, leaders of business and industry and national organizations will also honor two distinguished and outstanding Members of the 87th Congress, who were here in 1916 as Members of the 64th Congress which approved the charter. They are our own beloved Congressman CARL VINSON, great and distinguished chairman of the House Armed Services Committee, on which I am proud to serve, and our valued friend, the able and distinguished Senator CARL HAYDEN, of Arizona.

I am also pleased to make known to my colleagues that an outstanding young leader and active participant in Boy Scout activities from one of the new towns in the Third Massachusetts District is representing the entire New England area Boy Scouts at this noteworthy dinner. He is Eagle Scout Bernard A. Roy, of Millis, a member of Explorer Post 15.

The son of Superintendent of Schools and Mrs. George C. Roy, Bernard is 1 of a select group of 111 Scouts here in Washington to represent all of the Scout regions throughout the country in a special scouting report to the Nation.

I extend my congratulations to Bernard and his family who may well be proud of this outstanding Scout honor in